

# **DECISION**

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

### **MARKET PRACTICES COMMITTEE ("the Committee")**

### **RESPECTING**

### **SUNWING VACATIONS INC. o/a [selloffvacations.com](http://selloffvacations.com) ("the licensee")**

The Committee is authorized under Council's 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 General Insurance Council's 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 Council on March 13, 2020 regarding the conduct of the licensee, an investigation was undertaken, the outcome of which was submitted to the Committee on November 4, 2020.

A Notice of Proposed Action dated November 5, 2020 via a Consensual Agreement and Undertaking ("the Agreement") was provided to the licensee.

The licensee in accordance with section 10-11(3)(b) of the Act made written representations on November 26, 2020 to the Committee respecting why the licensee felt the actions identified in the Agreement should not be taken.

On December 6, 2020 the Committee in accordance with 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 (1)(c)** The licensee, as a licensed restricted travel agency, failed to maintain its registration with the Corporate Registry of the Information Services Corporation of Saskatchewan ("ISC") for a period in excess of five (5) years, from August 1, 2014 to September 30, 2019. A licensed agency is required to maintain its corporate registration for as long as it holds a licence as identified in Bylaw 7(4)(1)1)b).

**Bylaw 4-1 (2)(r)** The Licensee, through its Designated Representative ("DR"), failed to follow sound business practices when it allowed its registration with the Corporate Registry of ISC to lapse and did not reinstate it for a period in excess of five (5) years, from August 1, 2014 to September 30, 2019.

**REASONS FOR THE DECISION:**

The licensee in its November 26, 2020 written representation to the Committee accepted responsibility for not maintaining the Selloffvacations business name.

The licensee claimed that the lapse in renewing its business name was a result of a clerical error and was rectified once it was brought to their attention.

The licensee also expressed its disappointment that despite the fact it continued to pay its annual licensing fee to Council, Council did not bring to its attention the Corporate Registry lapse for the period August 1, 2014 through to October 1, 2019.

The Council is not affiliated with the ISC and as such is not notified or made aware that a business licensed with the Council has failed to maintain its business name with the Business Name Registry of the ISC. Council does not receive copies of correspondence between the ISC and entities it regulates.

Reviews of corporate registrations, bankruptcies, etc., are not completed for every licensee prior to their Annual Reporting Date each year; these reviews are completed on an ad hoc basis. Once Council staff became aware of the lapse in the Selloffvacations business name the lapse was brought to the attention of the licensee.

It is a licensee's responsibility to ensure that he/she/it has satisfied all legislative requirements in order to obtain and retain an insurance licence in Saskatchewan. The licensee's failure to maintain its business name registration with ISC is contrary to Bylaw 7-4(1)1)b) of the Council Bylaws and as such the licensee failed to meet the requirements to continue to hold a licence.

The evidence provided to the Committee in the Investigation Report and the licensee's written submission in which it accepted responsibility for the error that led to the lapse in the registration of its business name led the Committee to uphold the sanctions outlined in the original Agreement.

**THE COMMITTEE HEREBY ORDERS THAT:**

1. The licensee pay the following fines:

<b>Bylaw 4-1(1)(c)</b> Pay a fine of:	\$ 2,500.00
<b>Bylaw 4-1(2)(r)</b> Pay a fine of:	\$ 500.00
<b>Total:</b>	<b><u>\$3,000.00</u></b>

Costs of investigation: 3 hours at \$110.00 per hour      **\$ 330.00**

**Total: \$3,330.00**

2. The licensee must pay the fine and costs of investigation within 30 days of service of this Decision in accordance with Section 5-39(3) of the Act as outlined below.

Section 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 3 day of March, 2021.

*Originally signed by:*

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Anne Parker, Chair  
Market Practices Committee