



The General Insurance Council of Saskatchewan (Council)

Consensual Agreement and Undertaking (Agreement)

Between

Auto Gallery 1994 Ltd.

And

**The Complaints and Investigation Committee of the
General Insurance Council of Saskatchewan
(The Committee)**

Auto Gallery and the Committee hereby agree to a joint submission that:

Facts:

1. Auto Gallery is a body corporate formed under *The Business Corporations Act* (Saskatchewan). The nature of business is "Car Lot and Mechanical Repair Shop". Auto Gallery 1994 Ltd. a/o/a Signature Motors is licensed to offer warranty insurance also known as Mechanical Breakdown Insurance (MBDI).
2. Auto Gallery did not operate within Bylaw 8(1)(a) when:
 - a. it combined insurance premiums with non-insurance products on the Bill of Sale (BOS).
3. Auto Gallery did not operate within to Bylaw 8(2)(n) when:
 - a. it failed to disclose to consumers in writing the amount of any fee that was charged over and above the MBDI insurance premium set by the Insurer.
4. Auto Gallery did not operate within Bylaw 8(2)(s) when:
 - a. it failed to provide information to the Committee under the Delegation Order in a timely manner.

Auto Gallery acknowledges and agrees:

5. That their rights to appear before a Discipline Committee of Council have been explained to it and it fully understands its rights and/or obligations under Bylaw 10.
6. Not to exercise any appeal rights they may have under Council Bylaw 10, Section 3 or *The Saskatchewan Insurance Act* (the Act), as it relates to matters set out in this Agreement.
7. That it has been advised by the Committee that it is in its interests to obtain independent legal advice before entering into this Agreement.

Auto Gallery having waived its rights:

8. Agrees and undertakes to implement policies and procedures that will ensure a consumer has full and accurate disclosure of the insurance being sold to them.
9. Agrees and undertakes to refund any fees as agreed to with the Committee.

10. Agrees and undertakes within 30 days to pay an administrative amount covering payment of all investigation costs, legal expenses, discipline hearing committee and legal expenses.

The Committee's **Agreement:**

11. The Committee agrees to accept from Auto Gallery this Agreement as full and final resolution to the acknowledged violations of Council Bylaws and the Act as set out in this Agreement.
12. The Committee agrees to take no further action against Auto Gallery in relation to the matters that are set out in this agreement or the allegations outlined in the Notice of Hearing, provided Auto Gallery is in full compliance with this Agreement.
13. The Committee, however, reserves the right to deal with individual complaints that may be received from a consumer in respect of insurance that was sold during the time periods covered by this Agreement.

Dated at Regina, in the Province of Saskatchewan, this 21 day of April, 2011.

Originally signed by:

**Dave Prociuk, Chairman
Complaints and Investigation Committee
General Insurance Council of Saskatchewan**

Originally signed by:

**McCrank Stewart LLP
Legal Counsel for Auto Gallery 1994 Ltd.**