

Consensual Agreement and Undertaking

Between

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

Centre Holidays Inc.

And

**Designated Representative:
Cara Theresa Fay**

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

Bylaw 5, Section 1, subsection 1 reads: "The administrator shall, in addition to the requirements for the contents of a register required by the Act and the regulations, record on the register the existence and results of all disciplinary decisions or orders, court orders, alternative dispute resolution agreements, undertakings and mediation agreements involving a licensee or a person to whom the General Insurance Council of Saskatchewan (Council) has the authority to issue a licence." Disciplinary actions as described are reported on the Insurance Councils of Saskatchewan website and the Canadian Insurance Regulators Disciplinary Actions (CIRDA) database.

Centre Holidays Inc. (Center Holidays) acknowledges and agrees that:

1. It violated Council Bylaws when:
 - A. Contrary to Bylaw 8, Section 1 (a) it:
 - i. Acted contrary to the best interests of the consumer or licencees or insurance companies by allowing unlicensed salespersons to transact in insurance.
 - When it allowed unlicensed individuals to have insurance business placed with the insurance company through the codes of licensed persons,

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- B. Contrary to Bylaw 8, section 2 (g) it violated provisions of the Act, the regulations or the bylaws when it:
- i. Acted contrary to Section 416. When it allowed persons that were not the holders of a subsisting licence to act as an insurance agent.
 - ii. Acted contrary to Section 417. When it held out as an agent while they were not the holder of a subsisting licence.
 - iii. Acted contrary to Section 418. When it appointed, permitted or authorized any person to do any of the things in respect of which a licence is required unless the person is the holder of a subsisting licence.
 - iv. Acted contrary to Section 444. When it compensated unlicensed persons for sales of insurance while they did not hold an active licence.
 - v. When contrary to Schedule A, Part V, Section 3, subsection (1) it failed to maintain a valid policy of errors and omissions insurance;
 - a) When on November 12, 2015 it allowed its errors and omissions (“E&O”) insurance to lapse while the insurance licence remained active,
 - b) E&O was not re-established until December 10, 2015.
 - c) Centre Holidays was without E&O coverage for 28 days; and
 - vi. When contrary to Bylaw 2, Section 1, subsection (4) (d) it failed to immediately notify Council of cancellation or non-renewal of its errors and omissions insurance.

Cara Theresa Fay (Fay) acknowledges and agrees that:

2. Fay violated Council Bylaws when:
 - A. Contrary to Bylaw 8, Section 2 (r) she:
 - i. Failed to exercise reasonable and prudent oversight when acting in a supervisory capacity.
3. Centre Holidays and Fay’s rights to appear before a Discipline Committee of Council have been explained to them and they fully understand their rights and/or obligations under Council Bylaw 10;

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4. Centre Holidays and Fay waive their rights to appear before a Discipline Committee and undertake 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 Consensual Agreement and Undertaking (Agreement).
5. This Agreement does not preclude Council from pursuing any other investigation against Centre Holidays and/or Fay for activities not identified in this Agreement that may be in violation of Council Bylaws or the Act.
6. Centre Holidays and Fay have been advised by the Committee that it is in their interests to obtain independent legal advice before entering into this Agreement.
 - a. Centre Holidays and Fay have obtained such independent legal advice and are satisfied with the same, prior to executing this Agreement, or
 - b. Centre Holidays and Fay have willingly chosen not to obtain such advice prior to executing this Agreement.
7. Centre Holidays and Fay hereby affirm that they have read and understood the terms of this Agreement, and are signing it voluntarily and of their own free will.

Centre Holidays, having waived its rights, undertakes to:

1. Pay a fine in the amount of \$2,286.00; and
2. Centre Holidays will ensure E&O insurance is in place while Centre Holidays holds an insurance licence in Saskatchewan.

Fay, having waived her rights, undertakes to:

1. Pay a fine in the amount of \$250.00; and

Centre Holidays and Fay, jointly or severally agree to:

1. Reimburse Council's partial costs of investigation costs in the amount of \$2,200.00
2. Pay all fines and investigative costs within 30 days of receipt of this Agreement.

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The Committee's Agreement:

1. The Committee agrees to accept from Centre Holidays and Fay the payment of \$4,736.00 as full and final resolution of violations of Council's Bylaws and the Act as outlined in this Agreement; and
2. The Committee further agrees to take no further action against Centre Holidays and Fay for the acknowledged violations of Council's Bylaws and the Act that are set out in this Agreement.

Dated at Mississauga, in the Province of Saskatchewan, this 25th day of October, 2016.

Originally Signed by

Carlton Montaut for Centre Holidays Inc.

Dated at Regina, in the Province of Saskatchewan, this 25th day of October, 2016.

Originally Signed by

Cara Theresa Fay

Dated at Moosomin, in the Province of Saskatchewan, this 3rd day of November, 2016.

Originally Signed by

**Darryl McKay, Chair, Complaints and Investigation Committee
General Insurance Council of Saskatchewan**