

ALBERTA INSURANCE COUNCIL
(the "AIC")

In the Matter of the *Insurance Act*, R.S.A. 2000, Chapter I-3
(the "Act")

And

In the Matter of Magic Tours & Travel Ltd.
(the "Agency")

As represented by
Jorge Romberg, Designated Individual
(the "DI")

AGREED STATEMENT OF FACTS AND JOINT SUBMISSION

WHEREAS the AIC undertook a review of the Agency's licensing records, during which review information came to light that indicated that the Agency had been acting as a restricted insurance agent while unlicensed;

AND WHEREAS the review established that the Agency had sold travel insurance policies during the period from July 1, 2016 to and including August 3, 2017, without a valid and subsisting Certificate of Authority and was compensated for acting as a restricted insurance agent;

AND WHEREAS the Agency is aware of the opportunity to retain and instruct legal counsel with respect to the matters referred to in this Agreed Statement of Facts and Joint Submission;

NOW THEREFORE the DI and the Investigator agree as follows:

1.0 For the purposes of this Agreed Statement of Facts and Joint Submission, the Agency through the DI makes the following admissions and submissions:

1.1.1 The Agency was the holder of a Certificate of Authority (3-2513090) under the name Magic Tours & Travel Ltd. o/a Magic Tours to transact business as a restricted insurance agency to sell travel related insurance from December 31, 2003 to March 22, 2016. The Agency amended the name of the business to Magic Tours & Travel Ltd. and was issued a Certificate of Authority (3-10960591) to transact business as a restricted insurance agency to sell travel insurance and has been licensed since March 22, 2016, other than for the period from July 1, 2016 to and including August 3, 2017;

1.1.2 In a letter dated July 27, 2017, the DI stated that the Agency had acted as, and been compensated for acting as, a restricted insurance agent;

1.1.3 The DI advised that the Agency was compensated \$9,379.43 for the sale of 57 policies during the unlicensed period of time. The DI advised the investigator that

due to the DI's oversight the Agency's license was not renewed for one period and the Agency diarized the computer and paper calendars to ensure that the Agency's license would renew in time;

1.1.4 The DI is aware that any similar future occurrences may result in a potential fine as high as \$1000.00 per policy compensated when unlicensed.

- 2.0 As a result of the facts set out in this Agreed Statement of Facts and Joint Submission, the Agency contravened section 452(1) of the Act, and consequently violated section 480 (1) (b) of the Act for acting as a restricted insurance agent during a period of time the Agency was unlicensed.
- 3.0 The DI and the Investigator jointly recommend to the Life Insurance Council ("Council") that the Council approve this Agreed Statement of Facts and Joint Submission and resolve, dispose of and finally conclude this matter involving the Agency by approving a decision in the form annexed hereto as Schedule 1, which provides for a civil penalty in the amount of \$395.00 in accordance with the penalties prescribed in section 13(1) (b) of the Certificate Expiry, Penalties and Fees Regulation, AR 125/2001 based on a missed license renewal fee of \$95.00 and a civil penalty of \$300.00.
- 4.0 The DI recognizes that the acceptance of the decision set out in Schedule 1 shall be at the unfettered discretion of the Council.
- 5.0 The Agency is aware of and acknowledges that upon receiving notification of the Council's decision, the civil penalty specified in Schedule 1 must be paid within the time frames set out in section 480(4) of the Act.
- 6.0 The Agency is also aware of and acknowledges that by entering into this Agreed Statement of Facts and Joint Submission, the Agency waives its right to appeal this decision as set out in section 482 of the Act.
- 7.0 The Agency waives any existing right it may have under the Act or otherwise to a hearing, review, judicial review or appeal of this matter.

8.0 The Agency acknowledges that this Agreed Statement of Facts and Joint Submission may be referred to in this or any other proceeding under the Act, and in regulatory proceedings in other jurisdictions.

9.0 The Agency recognizes that this Agreed Statement of Facts and Joint Submission resolves all issues involving the Agency in this matter only, as the matter is described above.

Dated at the City of Edmonton, in the Province of Alberta this 24 day of October 2017.

ALBERTA INSURANCE COUNCIL
PER:

Signed
Trisha Lunt, Investigator

Dated at the City of Calgary, in the Province of Alberta, this 5th day of November 2017.

Signed
Jorge Romberg, Designated Individual

In the presence of:

Signed
Signature of Witness

Name of Witness (please print)

SCHEDULE 1

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DECISION OF
The Life Insurance Council
(the "Council")

WHEREAS the Investigator of the Alberta Insurance Council ("AIC") made a request for information in relation to an investigation being conducted by the AIC into the compensation of an unlicensed restricted insurance agent, from July 1, 2016 to and including August 3, 2017;

AND WHEREAS as a result of information received, the DI and investigator entered into an Agreed Statement of Facts and Joint Submission, a copy of which is attached hereto;

AND WHEREAS pursuant to the Agreed Statement of Facts and Joint Submission, the DI has agreed that the Agency will pay a civil penalty in the amount of THREE HUNDRED and NINETY FIVE dollars (\$395.00) and has acknowledged that the Council has the discretion to accept or reject that recommendation;

AND WHEREAS the Council considers that it would be in the public interest to approve the said Agreed Statement of Facts and Joint Submission;

IT IS ORDERED that:

1. The Agreed Statement of Facts and Joint Submission be accepted and is hereby approved; and
2. The Agency pay a fine of THREE HUNDRED and NINETY FIVE DOLLARS (\$395.00) in accordance with the terms and conditions set out in this Agreed Statement of Facts and Joint Submission.

The attached Agreed Statement of Facts and Joint Submission was reviewed by the Council and a motion to approve this decision was made and carried at a properly conducted meeting of the Life Insurance Council. The motion was duly recorded in the minutes of that meeting.

Date: December 20, 2017

Original Signed By

