

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 Brokerlink Inc. o/a BrokerLink  
(the "Agency")

And

As represented by Edward Steven Parry  
(the "Designated Representative")

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

This case involves allegations pursuant to s. 509(1)(a) of the Act. Specifically, it is alleged that after receiving notification that the Complainants would not be proceeding with the Agency, the Agency placed insurance on behalf of the Complainants. It was alleged that the Agency made false or misleading statements or representations in violation of s. 509(1)(a) of the Act, and subsequently violated s. 480(1)(b).

**Facts and Evidence**

This case proceeded by way of written Report to Council dated April 28, 2023 (the "Report"). The Report was forwarded to the Agency for review and to allow the Agency to provide the Council with any further evidence or submissions by way of Addendum. In arriving at its conclusion, the Council carefully reviewed all evidence presented.

The Agency has been the holder of a General Insurance certificate of authority since August 31, 2004.

On January 3, 2023, the AIC received a complaint from [K.S.] [redacted] and [D.S.] [redacted] (hereinafter the "Complainants") regarding the Agency. The Complainants stated:

[...], we are reaching out to the Alberta Insurance Council with a complaint in regard to the conduct of [the Agency] ([...]). Up until December 20, 2022, we were clients with [the Agency] and held an insurance policy with [S.G.I.C.I.L.S.] [redacted] (hereinafter the "Former Insurer"). Our renewal date for our farm policy has been

December 20 of each year. While clients of [the Agency] ([...]), we had received regular communications including renewal packages by the first week in December. These renewal packages would be delivered through postal service and when [the Agency] took over for [T.S.G.] [redacted], we also would receive an email from our Account Executive [D.M.] [redacted] (hereinafter the “Account Executive”) with the same renewal package.

For our renewal in December of 2022, we received no communication by mail or email. On December 14, 2022, we reached out to [the Account Executive] to express our disappointment in the lack of communication and we would be reaching out to other companies to have our policy quoted. What resulted over the next week was a series of communications through phone calls and emails demonstrating to us that [the Agency] was unprofessional and negligent. After making the decision to move our insurance, the continued communications with [the Agency] resulted in company representatives threatening us with sending our insurance to collections.

On December 12, as stated, we started an email to [the Account Executive] to express our disappointment. This email was finished and sent on December 14 at 7:58pm.

[Complainants]  
to [Account Executive]

Wed, Dec 14, 2022 7:58 PM

[...]

[The Complainants] are disappointed in [the Agency] and their management of your policy. It is December 12 and we have yet to receive our policy which you will expect payment on in a week. We are collecting quotes from other agencies to move our business. Please forward your renewal papers for consideration tomorrow.

[...]

On December 15, at 8:43am, [the Complainants] received a call from [the Account Executive] in regards to [the Complainants] email but was unable to talk at this time. At 4:05pm on December 15, [the Complainants] returned [the Account Executive’s] call. On this phone call, [the Account Executive] expressed [the Account Executive] was sorry that [the Account Executive] had not gotten to the file and did not have any quotes to send. [The Account Executive] told [the Complainants] that [the Agency] stopped working with [the Former Insurer] three months prior and that they would need to find a different insurance company. [The Complainants] expressed [the Complainants] concerns that this change was never communicated through any means and that finding this out five days before their insurance was due for renewal was not acceptable. [The Account Executive] apologized and asked [ the Complainants] to not be mad. [The Account Executive] explained that [the Account Executive] had more complicated files than [the Complainants’] farm policy which were taking a lot of time. [The Account Executive] expressed [the Account Executive] simply didn’t have time to get their policy. [The Complainants] asked questions as to why the company had not communicated the departure of [the Former Insurer] and again [the Account Executive] expressed [the Account Executive] didn’t have time to let people know. [The Complainants] responded that three months was a lot of time to send a simple email to clients letting them know the change and that waiting until renewals were due was not acceptable. [The Account Executive] told [the Complainants] [the Account Executive] had sent their file out for quotes on this day, December 15. [The Complainants] reiterated the response in the email of their disappointment and that they would be looking to get quotes from other brokers to continue with [the Former Insurer].

We received no further communication from [the Account Executive] until 10:12 am on December 20th. At this time, [the Account Executive] forwarded a quote from [S.M.I.] [redacted] (hereinafter the “Potential Insurer”) and indicated [the Account Executive] had another quote from [W.M.I.C.] [redacted] (hereinafter the “Insurer”) but did not include it in the communication.

[Account Executive]  
to [Complainants]

Dec 20, 2022, 10:12 AM

[...]

Please find attached quote from [the Potential Insurer]. The total annual premium with them is [amount]

[redacted]. This was the best we could produce to compete with the [Former Insurer] policy. [The Insurer], was willing to proceed, however they will only offer Replacement Cost for the rental house. This will increase the premium as well. They asked if you would be interested in this prior to proceeding, knowing the rate will increase.

Were you able to secure terms from [the Former Insurer] via another broker? If not, please let me know if you would like to move forward with the [Potential Insurer] quote or if you would like to see [the Insurer's] official terms first. [...]

After reviewing both [the Account Executive's] quote from [the Potential Insurer] and other quotes from other companies, we emailed back to [the Account Executive] to let [the Account Executive] know we were proceeding with another company.

[The Complainants]  
to [The Account Executive]

Dec 20, 2022, 10:11 PM

[...]

We have decided to move our insurance to a different broker and will not be accepting any quotes from [the Agency]. [...]

Upon sending this email, we believed our communications with [the Agency] were finished and although disillusioned with the company and the service, we were moving ahead.

On December 22, we were shocked to receive two emails from [T.E.] [redacted] (hereinafter the "Account Manager") with [the Agency] asking us to cancel our [Insurer] insurance policy.

Urgent – Cancellation Form attached to be signed – [The Complainants]

[Account Manager]  
to [The Complainants], [the Account Executive]

Thu, Dec 22, 2022, 10:26 AM [...]

[...]

[The Insurer] requires a signed cancellation to cancel the Farm policy.

Please sign the attached cancellation in the designated areas on this form.

Please return the signed form to me or [the Account Executive] as we will need to forward this to [the Insurer] in a timely manner.

[...]

[Account Manager]  
to [The Complainants], [the Account Executive]

Thu, Dec 22, 2022, 10:46 AM [...]

[...]

I apologize, I have had to send this revised document for signature, as I didn't have the insurance company and the policy number on the document to be signed.

Please delete my first email and sign this copy of the cancellation attached.

[The Insurer] requires this signed to cancel this policy.

[...]

These emails were alarming to us. We were not clients of [the Insurer]. After reading the email the evening of December 22, we responded back detailing the concerns we had including asking for a contact person to file a formal complaint with.

[The Complainants]  
to [Account Manager], [Account Executive]

Thu, Dec 22, 2022, 8:53 PM [...]

[...]

I think someone in your company has a lot of explaining to do.

First and foremost, we were never notified that our policy with [the Former Insurer] was being changed. I reached out to [the Account Executive] last week when we had not received our renewal. It was the next day when [the Account Executive] contacted me to say that your company stopped working with [the Former Insurer].

Second, we had to push [the Account Executive] to even get options for companies to change our policy to upon the renewal date. We started getting our own quotes – doing your company’s job – to find new insurance.

Third, we were just receiving options from [the Account Executive] on the last day of our [Former Insurer] policy.

Fourth, we have not signed on with [the Insurer] at any point for our farm insurance. Who authorized this and when?

Finally, we will not sign any documentation for policies we did not authorize or ask for. If you placed our insurance with another company without our approval, then you need to do your due diligence in rectifying this situation, not us.

Please send us the name and contact information of who we lodge a formal complaint with.

Concerned with the holiday break and the title “urgent” on the email, on December 23, at 9:40 am, we decided to call [the Account Manager] to get an update and find out what was happening with our file. [The Complainants] called the contact number in the email and spoke to [the Account Manager]. [The Account Manager] explained that this file was handed to [the Account Manager] and [the Account Manager] knew nothing about it other than to send us the letter. [The Account Manager] was unable to speak to any of the concerns or to what was being done now. When [the Complainants] asked to speak to a manager, [the Account Manager] explained that the manager, [...], was unavailable.

We decided to reach out to the [Agency] direct line to speak with a representative. The representative on the phone ([...]) was unable to locate a manager and offered to have someone reach out after the holidays. [The Complainants] explained that after receiving an email with urgent in the title, they wanted to speak to someone today. A contact number for [B.H.] [redacted], was given to [the Complainants] to reach out to. [The Complainants] left a message for this manager.

We reached out again to the [Agency] direct line and spoke with [N.A.] [redacted] (hereinafter the “Direct Line Representative”) ([...]). [The Direct Line Representative] requested information about what the matter was about. [The Complainants] reiterated the issues they were having. [The Direct Line Representative] responded that [the Direct Line Representative] was sorry for their experience and that they did need to talk to a manager. When [the Direct Line Representative] looked up the file, [the Direct Line Representative] told [the Complainants] that [the Direct Line Representative] can see [A.A.] [redacted] [...] is in charge of our file. [The Complainants] asked who [A.A.] [redacted] was as this is another name they had never heard of. [The Direct Line Representative] again apologized and continued to look for a manager. The call ended with [the Complainants] being put in touch with a [City] [redacted] Branch Manager, [J.P.] [redacted] (hereinafter the “Branch Manager”) at approximately 10:00 am.

[Complainant] spoke with [the Branch Manager] in regards to their concerns about their file and now being asked to sign a cancellation form with a company they had never been insured with. [The Complainants] explained they were never even provided with the quote from [the Insurer] to consider. [The Branch Manager] defended the actions of [the Account Executive] and [the Branch Manager’s] explanation included the following points which concerned us:

1. [The Agency] would not usually inform their clients that their insurance provider was no longer working with them until the renewal date.
2. [The Account Executive] was unable to get quotes for us because we had another company requesting quotes.
3. [The Agency] routinely places their clients with other insurance companies when they have not received any communication from the client instructing them on how to proceed.
4. [The Insurer] required the client to sign that the insurance was cancelled or the policy would remain in place.
5. We would be sent to collections for the cost of the policy if we did not sign the cancellation policy.

When [the Branch Manager] threatened to send the policy to collections without a signature, [...]. [The Branch Manager] continue to reiterate that this was all normal insurance dealings and they would need the policy cancelled. [The Complainants] told [the Branch Manager] that we would not be signing anything we had never agreed to in the first place and hold [the Branch Manager] if this continued we would seek legal counsel. [The Branch Manager] offered to consult with [the Insurer] to see if they would cancel the policy without the client signing the cancellation and then get back to us.

At 10:53 am, [the Branch Manager] called and spoke with [the Complainants] to say that [the Insurer] would accept the cancellation without signature. In the conversation, [the Branch Manager] told [the Complainants] that [the Account Executive] had placed the file with [the Insurer] on December 21 to make sure they did not have a lapse in coverage. [The Complainants] reiterated to [the Branch Manager] that this was unacceptable as [the Account Executive] had confirmation sent to [the Account Executive] on December 20 that we were moving our insurance and would not be renewing. [The Complainants] thanked [the Branch Manager] for the phone call back and told [the Branch Manager] that how this file was handled was unacceptable and negligent. [The Complainants] expressed that we wanted our concerns followed up and action taken to rectify the issues. [The Branch Manager] explained that [the Branch Manager] had talked with [the Account Executive] and that [the Branch Manager] had advised [the Account Executive] on how [the Account Executive] could have handled things differently. [The Complainants] reiterated that a conversation was not enough and we wanted this file reviewed and steps taken to rectify the issues. [The Branch Manager] indicated that this could not happen until after the holidays. [The Complainants] told [the Branch Manager] that they understood this and looked forward to hearing from them in the New Year.

Following the phone conversation, [the Complainants] followed up with an email to [the Branch Manager] to ensure that the file was voided and not cancelled as placing the policy with [the Insurer] was not approved and we wanted to ensure [the Insurer] would not be asking for a minimum policy payment from us. [The Branch Manager] responded with a confirmation.

#### Voided Coverage

[The Complainants] Dec 23, 2022, 11:25 AM [...]  
to [Account Executive], [Account Manager], [Branch Manager]

[...]  
Thank you for our conversations today [Branch Manager]. We are requesting written documentation that the policy you placed with [the Insurer] without our knowledge or consent was VOIDED.  
[...]

[The Complainants] Dec 23, 2022, 12:10 PM [...]  
to [Branch Manager], [Account Executive], [Account Manager]

[...]  
We want to ensure the same terms carry the same understanding. When you use the word lapsed do you mean voided? We want to ensure that it is understood this is not a cancellation as we did not authorize the policy.  
[...]

[Branch Manager]  
to [The Complainants]

Dec 23, 2022, 1:37 PM [...]

[...]

Yes, the terms carry the same meaning. "Void" doesn't appear on policy documents. Lapse (also known as a Flat Cancellation) is interchangeable and means the same thing. No play on words. The policy, as requested, is null and is not in force.

[...]

[Branch Manager]  
to [Complainants], [Account Executive], [Account Manager]

Dec 23, 2022 12:07 PM

[...]

Please accept this as confirmation that policy [...] with [the Insurer] is being lapsed. [...]

On January 3, [the Branch Manager] called at 2:00 pm and spoke to [the Complainants]. [The Branch Manager] advised [the Complainants] that [the Branch Manager] had reviewed the file and can see that [the Account Executive] had sent the file for quotes on December 15 and received back the [Potential Insurer] and [Insurer] quotes on the 20th. [The Branch Manager] reiterated [the Branch Manager's] position that [the Account Executive] had followed their standard procedures but hasn't been timely in doing so. [The Branch Manager] reiterated that it was our fault they were unable to provide quotes because we had engaged another company in finding insurance coverage. [The Branch Manager] commented that as long as the renewal from [the Insurer] was acceptable they would place the insurance with them. [The Complainants] reiterated that it was not a renewal as they never had insurance with [the Insurer] and [the Branch Manager] clarified that when [the Branch Manager] said renewal, [the Branch Manager] meant with [the Agency]. [The Complainants] then asked who gets to decide if a quote is acceptable. [The Branch Manager] explained that [the Agency] would review the policy and then talk with the client. [The Complainants] made the point that the discussions with the client never occurred and that the client decides if it is acceptable. [The Branch Manager] disagreed and said [the Agency] could make that decision for the client. [The Branch Manager] asked what we were looking for as a resolution so [the Branch Manager] could know what to do. [The Complainants] ended the conversation.

It is clear to us that [the Agency] takes no responsibility for their negligent actions. At this time, we are asking for action to be taken to address the following issues:

1. Failing to notify clients that their insurance provider is no longer working with the broker and the provider will need to change.
2. Failing to obtain coverage quotes in a timely manner.
3. Failing to follow the directions of the client.
  - a. Placing the client's insurance with a company after being given written notice to not proceed. In this case, the client responded within twelve hours of receiving one emailed quote ([the Potential Insurer]) that they would be moving brokers.
  - b. Placing the client's insurance with a company whose quote was never provided to the client (in this case [the Insurer]).
4. Demanding the client sign a legal document cancelling their insurance when they had not placed their insurance with this company.
5. Threatening legal action, taking the client to collections if they did not sign the cancellation form.
6. Failing to follow through with a file review by a management team.
7. Failing to apply consequences to those affiliated with the file and address the threats to the client.

[...]

On January 5, 2023, the AIC investigator requested the following information from the Complainants:

[...]

I write further to our January 3, 2022 [sic], email regarding your complaint against [the Agency]. [...] To assist

in my investigation, please provide the following documents and/or information:

- Original [Former Insurer] policy documents
- Any/all correspondence with [Agency] representatives
- Quotes provided to you by [the Agency] representatives
- Any [Insurer] documents provided to you
- Any other documents you feel may help my understanding of the material facts.

[...]

On January 22, 2023, the Complainants provided the AIC investigator with the following information:

[...] At no time were we provided information on [the Insurer] to consider and [the Agency] enrolled us after we sent the email declining their representation.

[...]

In the same email of January 22, 2023, the Complainants provided the AIC investigator with the following documents:

1. Agro Pak Policy from the Former Insurer, with a policy coverage period of December 20, 2021 to December 20, 2022; and
2. A Farm Quote from the Potential Insurer dated December 20, 2022.

On January 30, 2023, the Complainants provided the AIC investigator with a Farm Package Policy from the Insurer, with a policy coverage period of December 20, 2022 to December 20, 2023.

On February 1, 2023, the AIC investigator sent the Agency a request for information. The request for information stated:

[...]

The AIC received a complaint from [the Complainants] regarding [the Agency] placing insurance with [the Insurer] without their consent and that [the Agency] then required a cancellation form be signed to cancel the [Insurer] policy. To assist in my investigation, please provide the following information and/or documents, [...]:

- A detailed timeline and explanation of the events that pertain to this matter; and,
- Any/All correspondence between the complainants and [the Account Executive], [Account Manager], [the Branch Manager] or any other agents of [the Agency]; and,
- Any authorization [the Agency] received to place the [Insurer] insurance policy; and,
- Any other information or documentation which you feel may assist in the understanding of the material facts.

[...]

On February 10, 2023, the Agency provided the AIC investigator with the following information:

[...]

Effective August 1/22 [the Agency's] contract with [the Former Insurer] was terminated. As a result the clients Dec 20/22 renewal with [the Former Insurer] needed to be remarketed.

[The Agency] entered into a rollover agreement with [the Insurer] to take the [Former Insurer's] portfolio, which is a common industry practice in similar situations.

Our workflow was to have a [Insurer] renewal to the insured within 45 days of the renewal date [...]

[The Insurer] reached out to [the Agency] on October 27, 2022 as they required more information regarding the risk , [sic] [the Agency] responded on the same day. [...]

[The Insurer] reached out to [the Agency] again as they required more underwriting information before being able to quote a renewal. [...]

Unfortunately, we did not take action immediately in order to get this renewal issued in the standard expected 45 days prior to renewal date. Nor did we send out our standard conversion letter.

We have since amended our rollover workflow to add in a double check for any file that doesn't meet this 45 day threshold.

On December 1, 2022 [the Insurer] advised that they would be declining to write the risk because [the Agency] hadn't responded to them with the additional underwriting information that they required and because the renewal date was only approximately 3 weeks away by this time.

At about this time the broker [Account Executive] states that [the Account Executive] reached out to the insureds via cellphone to advise them of the situation . [sic] We do not have a recorded copy of that call.

On December 12, 2022, the broker working on this file reached out to 5 other markets to quote the risk In the meantime, [the Agency] Management reached out to [the Insurer] to ask them to reconsider taking on this renewal. [The Insurer] requested the missing underwriting information and [the Agency] responded with the information on December 15 & 16, 2022.

On December 14/22 insured emailed us asking if we had renewal documents yet and to advise that are getting quotes from other insurance providers as well [...]

On December 20/ 2022 [sic] the broker working on the file obtained a quote from [the Potential Insurer] and emailed the quote to the clients for consideration. In the same email the broker advised the clients that [the Insurer] was also willing to proceed with a renewal however because of certain underwriting requirements, the premium would be higher than the [Potential Insurer] quote. The broker also inquires from the insureds if they have been able to find another broker that would be able to take over their [Former Insurer] policy and renew that way [...]

On December 20, 2022, [the Insurer] issued a renewal policy.

On December 21, 2022 the insureds sent the broker an email advising that they have moved their business to a different brokerage and did not require any policy from [the Agency]. [...]

Unfortunately, since the [Insurer] policy was on Direct Bill renewal documents were already in the mail prior to the insured e-mailing us on Dec 21/22. When they received the renewal documents the insureds were obviously concerned as they not technically had two policies in place and they subsequently requested that we void the [Insurer] policy. We initially advised incorrectly that an LPV would be required to flat cancel the policy and this further upset the insureds as they advised that they did not request that the [Insurer] policy be issued.

The [Agency] Manager who had already been involved with this file, sent an explanation of the situation to [the Insurer] and it was agreed that the policy would be flat cancelled without the signature from the clients. Policy was flat cancelled and [the Agency] confirmed back to the clients that it was cancelled. [...]

We can confirm that [the Agency] has no active policies at this time for the insured.  
[...]

In the same email of February 10, 2023, the Agency provided the following documents:

1. Farm Insurance Cancellation Memo from the Insurer; and
2. An email between the Agency and the Insurer requesting a “policy flat cancelled” (the “Policy Cancellation Correspondence”).

The Policy Cancellation Correspondence stated:

**From:** [Agency]  
**Sent:** Friday, December 23, 2022 10:33 AM  
**To:** [Insurer]  
**Subject:** [The Complainants] [...]

[...]

So we have an issue with this one – originally it was declined because we didn’t have all the info. We got the info at the 11<sup>th</sup> hour and sent it in and the policy was issued. Turns out now the client doesn’t want the renewal and had actually sought out another policy, they are also refusing to sign a cancellation. Can we flat cancel this one – [...]

The communication at our end with the client on the rollover process was not good and has resulted in this confusion. The error definitely lies with us on this one.

[...]

**From:** [Agency]  
**Sent:** Friday, December 23, 2022 10:35 AM  
**To:** [Insurer]  
**Subject:** FW: [The Complainants] [...]

[...]

Can I have you look at this one for me and have the policy flat cancelled.

[...]

**From:** [Insurer]  
**Sent:** Friday, December 23, 2022 12:42 PM  
**To:** [Agency]  
**Subject:** [The Complainants] [...]

[...]

Of course, you have provided documented feedback from our client that they did not want the policy, so we will be able to flat cancel with this.

[...]

On May 11, 2023, the Agency provided the following information:

[...]

We are writing in response to the Report to Council (the “Report”) that you forwarded to our attention on April 28, 2023, regarding the complaint received from our customers (the “Complainants”) concerning placing their farm insurance policy (the “Policy”) with [the Insurer]. Please see our response as follows:

- The Report notes that [the Agency] “failed to communicate and act according to the best interest of the Complainants”. The Report also notes that “it is unclear how many consumers have been switched to a new insurer that was not in their best interest and was against their wishes”.

- As previously disclosed to the Alberta Insurance Council, [the Insurer's] contract with [the Former Insurer] was terminated and [the Agency] entered into a rollover agreement with [the Insurer] for that portfolio of customers. In these situations, our internal process is to ensure that customers are notified of their renewal with the new insurer at least forty-five (45) days in advance of their renewal date. This process was not followed in the case of the Complainants' policy. [The Agency] acknowledges and regrets that the Complainants were not notified in advance that their policy was being placed with [the Insurer]. By adding additional checks to our internal process, [the Agency] is actively taking steps to ensure that all customers are notified appropriately in the future.
- As there was a formal internal process in place for this rollover, we respectfully disagree that potentially numerous customers were switched against their wishes. Our internal process provides customers with appropriate notice and the opportunity to consider this change. The Complainants' case was an isolated incident in this rollover.
- [The Agency] also respectfully disagrees with the characterization that we did not act in the best interest of the Complainants and that this conduct was intentional. We acknowledge that there was a miscommunication between [the Agency] staff and as a result, the broker communicating with the Complainants was unaware that the policy was already being processed by [the Insurer]. Further, the policy was processed as a direct bill policy by [the Insurer], which resulted in the documents being mailed directly to the Complainants'. The broker was acting in the best interests of the Complainants, with the information [the broker] had, by providing a quote with [the Potential Insurer].

### **Conclusion**

Based on the above, we respectfully disagree that [the Agency] was not acting in the best interests of its clients and that the conduct was intentional. While there was a lack of communication, there was no intention to act against the Complainants' wishes or to mislead them. This was an isolated incident that [the Agency] has learned from and is using as an opportunity to improve its business processes.

[...]

### **Discussion**

Section 509(1)(a) of the Act provides that “[n]o insurer, insurance agent or adjuster may make a false or misleading statement, representation or advertisement.” Offences such as those considered under s. 509(1)(a) of the Act are strict liability offences. As such, the AIC only has the onus to prove that the Agency's statements or representations were false or misleading. Once this occurs, the onus then shifts to the Agency to establish a defence of due diligence. To establish this, the Agency must prove that all reasonable measures were taken to avoid making the false or misleading statements or representations.

The Council considered all the evidence before it, in particular the information shared by the Complainants and the Agency with respect to the direction from the Complainants that they would be moving their insurance to a new broker on December 20, 2022. The Council was concerned with the February 10, 2023, communication to the AIC, which stated, “[...] On December 20, 2022, [the Insurer] issued a renewal policy.” However, when communicating with the Complainants on December 20, 2022, the Account Executive stated, “Were you able to secure terms from [the Former Insurer] via another broker? If not,

*please let me know if you would like to move forward with the [Potential Insurer] quote or if you would like to see [the Insurer's] official terms first."* As the Agency did not inform the Complainants that the policy with the Insurer had been issued on December 20, 2022, the Council finds that the Agency made false and/or misleading statements and/or representations as contemplated by s. 509(1)(a) of the Act and therefore has breached s. 480(1)(b) of the Act.

As to the appropriate sanction for this conduct, the Council may levy civil penalties in an amount up to \$1,000.00 for an offence pursuant to s. 36.1(1)(b) of the *Insurance Agents and Adjusters Regulation*, AR 122/2001. In light of the evidence presented, in particular:

- that the Agency had entered into a rollover agreement with the Insurer to take the Former Insurer's portfolio;
- December 20, 2022 communications; and
- Policy Cancellation Correspondence

the Council orders that a civil penalty not be levied against the Agency.

Pursuant to s. 482 of the Act (excerpt enclosed), the Agent has thirty (30) days in which to appeal this decision by filing a Notice of Appeal with the Office of the Superintendent of Insurance.

This Decision was made by way of a motion made and carried at a properly conducted meeting of the General Insurance Council. The motion was duly recorded in the Minutes of that meeting.

Date: July 12, 2023

[Original Signed By]

Janice Sabourin, Chairperson  
General Insurance Council

**Extract from the *Insurance Act, Chapter I-3*****Appeal**

482 A decision of the Minister under this Part to refuse to issue, renew or reinstate a certificate of authority, to impose terms and conditions on a certificate of authority, to revoke or suspend a certificate of authority or to impose a penalty on the holder or former holder of a certificate of authority may be appealed in accordance with the regulations.

**Extract from the *Insurance Councils Regulation, Alberta Regulation 126/2001*****Notice of appeal**

16(1) A person who is adversely affected by a decision of a council may appeal the decision by submitting a notice of appeal to the Superintendent within 30 days after the council has mailed the written notice of the decision to the person.

(2) The notice of appeal must contain the following:

- a) a copy of the written notice of the decision being appealed;
- b) a description of the relief requested by the appellant;
- c) the signature of the appellant or the appellant's lawyer;
- d) an address for service in Alberta for the appellant;
- e) an appeal fee of \$200 payable to the Provincial Treasurer.

(3) The Superintendent must notify the Minister and provide a copy of the notice of appeal to the council whose decision is being appealed when a notice of appeal has been submitted.

(4) If the appeal involves a suspension or revocation of a certificate of authority or a levy of a penalty, the council's decision is suspended until after the disposition of the appeal by a panel of the Appeal Board.

**Contact Information and Useful Links for Appeal:**

Email: [tbf.insurance@gov.ab.ca](mailto:tbf.insurance@gov.ab.ca)

Phone: 780-643-2237

Fax: 780-420-0752

Toll-free in Alberta: Dial 310-0000, then the number

Mailing Address: 402 Terrace Building, 9515 – 107 Street Edmonton, AB T5K 2C3

Link: [Bulletins, notices, enforcement activities | Alberta.ca](#) – *Interpretation Bulletin 02-2021 – Submitting Notices of Appeal of Insurance Council Decisions*