

**GENERAL INSURANCE COUNCIL OF SASKATCHEWAN**  
**CONSENSUAL COMPLAINT RESOLUTION AGREEMENT**

BETWEEN:

HAROLD SOKYRKA AND 605872 SASKATCHEWAN LTD.

AND:

THE GENERAL INSURANCE COUNCIL OF SASKATCHEWAN (the "Council")

**1. FACTS**

- 1.1 Harold Sokyorka ("Sokyorka") is a director and officer of 605872 Saskatchewan Ltd., which carries on a travel agency business as Appreciation Travel, Tours & Vacations ("Appreciation Travel"). Appreciation Travel is associated with Travel Professionals International (TPI).
- 1.2 Neither Sokyorka nor Appreciation Travel (collectively, the "Accused") are or have ever been licensed to offer travel insurance.
- 1.3 The Council received a complaint on November 25, 2009 regarding the Accused (the "Complaint"). The Complaint was filed by ST, (the Complainant) a customer of Appreciation Travel. Relevant extracts of the Complaint are as follows:
  - (a) on or about June 19, 2009, the Complainant contacted Sokyorka at Appreciation Travel to make travel arrangements to the Mayo Clinic in Rochester, Minnesota for both her and her father on an urgent basis as her father had been diagnosed with cancer two weeks prior and had an appointment at the clinic for June 23, 2009.
  - (b) the Complainant informed Sokyorka that the return date for the trip would be dependent on the advice her father received at the Mayo Clinic, as he might be required to stay for treatment;
  - (c) Sokyorka advised the Complainant to purchase trip cancellation insurance, with the knowledge that her father had a pre-existing medical condition, and assured her that she and her father would receive coverage for a full refund of the return tickets, as well as accommodation and meals during the time they were required to remain in Rochester;

- (d) the Complainant was skeptical about booking the return flight and advised Sokyryka that she would rather book this portion of the trip once her father had seen the doctor in Rochester; however, Sokyryka persisted in his advice that the Complainant purchase the return tickets, as well as trip cancellation insurance; and
- (e) the Complainant and her father were required to remain in Rochester beyond the date of their return ticket, and when they filed a claim to recover under their trip cancellation insurance, the claim was denied on the grounds that the subject trip cancellation policy did not cover trips for the purpose of obtaining health care or treatment of any kind.

1.4 As a result of the Complaint, an investigation was undertaken and the following was determined:

- (a) neither Sokyryka nor Appreciation Travel are licensed to sell insurance in Saskatchewan;
- (b) Allianz Global Risks U.S. (Canadian branch) has the exclusive right to offer insurance on the Expedia.ca website and that agreements to purchase insurance are done between Expedia and the traveler directly;
- (c) resale of insurance purchased on the Expedia website is prohibited;
- (d) use of the Expedia website or its contents for any commercial purpose is prohibited;
- (e) the subject trip cancellation insurance was purchased by Appreciation Travel using a credit card in Sokyryka's name, while the Complainant's father was listed as the insured for an individual single-trip cancellation policy and the Complainant as an additional insured, the address of the insured was listed as being 442 Sylvian Crescent, Saskatoon, Saskatchewan, which is the personal address of Sokyryka;
- (f) the Accused re-sold the trip cancellation insurance to the Complainant.

1.5 In accordance with the foregoing, the Council concluded that there was sufficient evidence that the Accused breached section 416 of *The Saskatchewan Insurance Act* (the Act) and that such breach constituted an offence under section 475.1 of the Act.

1.6 The Accused were served with Summons to appear in Provincial Court.

1.7 The Accused and legal counsel for the Council appeared in court and the matter was adjourned.

## **2. ADMISSION OF WRONGDOING**

2.1 The Accused acknowledge that they contravened section 416 of the Act by selling travel insurance without a licence.

## **3. TERMS AND UNDERTAKINGS**

3.1 The Accused are willing to accept the terms of this Consensual Complaint Resolution Agreement (the Agreement) and undertake to:

(a) Pay to the Complainant the amount of \$1,780.00 for the cost which she incurred to pay for additional return air line tickets when the trip cancellation insurance sold to her by the Accused was denied by the insurer due to pre-existing health conditions. The pre-existing health conditions were known by the Accused at the time the trip cancellation policy was sold to her;

(b) Pay to the Complainant the amount of \$1,088.56 which is the excess difference between the actual Expedia.ca travel confirmation charges and the Accused's travel confirmation receipt of charges;

(c) Cease and desist selling or offering insurance of any kind until and unless they become a licensed agent, authorized to sell insurance in Saskatchewan in accordance with the Act.

3.2 All payments owing under this Agreement shall be made to the Council within 10 days of signing this Agreement. The Council shall forward the monies to the Complainant under the terms of this Agreement.

## **4. DISCLOSURE AND NOTIFICATION**

4.1 Notification of this agreement shall be in accordance with Bylaw 5, Section 1(1) of Council's Bylaws. The complainant will be informed that the Accused have entered into an Agreement and have made undertakings that satisfy the Council that the public will be protected. It will be noted on the register that there is an Agreement with the Accused for as long as the undertakings remain in effect. A

notice will be published by the Council and posted on its website which will state in effect the following:

The Council has accepted an Agreement between the Council and the Accused that includes an admission of wrongdoing by the Accused and undertakings by the Accused which are set out in section 4 of the Agreement.

## 5. CONCLUSION OF UNDERTAKINGS

- 5.1 Upon compliance with all of the terms and undertakings set out in this Agreement, the Council shall consider this matter resolved in full and will take no further action with respect to the Complaint. Upon payment of all amounts set out above, the Council shall stay the charges filed in Provincial Court.
- 5.2 The Accused acknowledges that they have voluntarily entered into this Agreement and are aware of their rights and responsibilities.

**EXECUTED** at Saskatoon, Saskatchewan on the 28 day of November, 2011.

	)	<b>HAROLD SOKYRKA</b>
	)	<b>605872 SASKATCHEWAN LTD.</b>
	)	
	)	<i>Originally signed by:</i>
<i>Originally signed by Roger Lepage:</i>	)	Per: _____
_____	)	
Witness	)	Name: Harold Sokyrka
	)	Title: President and Director

**EXECUTED** at Regina, Saskatchewan on the 8 day of December, 2011.

		<b>THE GENERAL INSURANCE COUNCIL OF SASKATCHEWAN</b>
<i>Originally signed by April Stadnek:</i>		<i>Originally signed by:</i>
_____		Per: _____
Witness		Name: Ron Fullan
		Title: Administrator