

BC Financial Services Authority
IN THE MATTER OF THE *FINANCIAL*
***INSTITUTIONS ACT*, RSBC 1996, C. 141**

and

Kia Canada Inc.

(Pursuant to section 208 of the *Financial Institutions Act*)

UNDERTAKING

[This Undertaking has been redacted before publication.]

WHEREAS the BC Financial Services Authority (“BCFSA”) completed an investigation into the conduct of extraprovincial corporation Kia Canada Inc. (“KIA”) pursuant to an Order issued under section 215(1) of the *Financial Institutions Act* (“FIA”);

AND WHEREAS the Superintendent of Financial Institutions (the “Superintendent”) is of the opinion, based on the investigation, that KIA carried on the business of insurance in British Columbia (“B.C.”) when KIA underwrote its appearance protection contracts (“Appearance Protection Contracts”) to B.C. consumers (“Policyholders”) without being authorized to do so as required under the FIA, thereby contravening sections 75 / 159(1) of the FIA;

AND WHEREAS KIA does not admit it breached the FIA, but accepts that the Superintendent is of the opinion that the Appearance Protection Contracts constitute automobile insurance and that the alleged breach of sections 75 / 159(1) of the FIA took place;

AND WHEREAS the Superintendent is not aware of any harm to B.C. Policyholders;

AND WHEREAS the Superintendent considers it appropriate for KIA to enter into this Undertaking pursuant to section 208 of the FIA;

AND WHEREAS KIA undertakes the following:

1. As of the date of the Undertaking, to not carry on any new business of insurance in B.C. through the underwriting, marketing and/or distribution of any new Appearance Protection Contracts to B.C. consumers (other than adjusting claims made under Appearance Protection Contracts in place with B.C. consumers prior



to the effective date of the Undertaking) until and unless KIA is authorized by BCFSA to engage in the business of insurance or is otherwise permitted to do so pursuant to the FIA;

2. To pay to BCFSA the total amount of \$25,000.00 within 30 days of the date of this Undertaking in lieu of the Superintendent issuing an Administrative Penalty under section 253.1 of the FIA; and
3. To pay to BCFSA investigative costs in the amount of \$3,500.00 within 30 days of the date of this Undertaking in lieu of the Superintendent issuing an order for investigative costs to be paid under section 241.1 of the FIA.

This Undertaking may be amended by the written agreement between the Superintendent and KIA. An amendment that results in a release or partial release from this Undertaking does not release KIA from complying with all applicable laws, including but not limited to enactments administered by BCFSA.

Signed to at the City of Mississauga
in the Province of Ontario Canada.
This 24th day of March 2025

“Original signed by Elias El-Achhab”

Authorized Signatory – Kia Canada Inc.

Name: Elias El-Achhab

Title: VP & COO

Signed to at the City of Vancouver
Province of British Columbia, Canada.

This 9th day of April, 2025
“Original signed by Joy Tcheng”

Authorized Signatory - BC Financial Services Authority

Name: Joy Tcheng

Title: VP Supervision and Deposit Insurance