

Date: 2025-08-01

BC FINANCIAL SERVICES AUTHORITY

IN THE MATTER OF THE *FINANCIAL INSTITUTIONS ACT*, RSBC 1996, C. 141

and

**Old Republic Insurance Company of
Canada**

(Pursuant to section 244 of the *Financial Institutions Act*)

Voluntary Compliance Agreement

[This Agreement has been redacted before publication.]

WHEREAS the BC Financial Services Authority ("BCFSA") completed an investigation into the conduct of extraprovincial corporation Old Republic Insurance Company of Canada ("Old Republic") pursuant to an Order issued under section 215(1) of the *Financial Institutions Act* (the "FIA");

AND WHEREAS the Superintendent of Financial Institutions (the "Superintendent") is of the opinion, based on the investigation, that Old Republic carried on the business of insurance in B.C. when Old Republic underwrote, marketed, and distributed contracts of Total Vehicle Protection (the "Policies") to B.C. consumers (the "Policyholders") while allowing unlicensed insurance agents/salespersons to receive payment for the sale of the Policies, in breach of section 178(1) of the FIA.

AND WHEREAS Old Republic does not agree it breached section 178(1) of the FIA but acknowledges that the Superintendent is of the opinion that the alleged breach of section 178(1) of the FIA took place;

AND WHEREAS Old Republic acknowledges the right of Policyholders to make claims for indemnity according to terms of their respective Policies until their respective expiration date;

AND WHEREAS Old Republic began taking steps to cease further distribution of the Policies once an apparent breach was identified during BCFSA's investigation;

AND WHEREAS the Superintendent considers it appropriate to enter into this Voluntary Compliance Agreement with Old Republic pursuant to section 244(2)(g) of the FIA;

AND WHEREAS Old Republic undertakes the following:

1. Within 30 days of this Voluntary Compliance Agreement, to include the following clause in all new service agreements between Old Republic and any third-party agent involved in the distribution of its insurance product:

Classification: **Protected A**

600-750 West Pender Street
Vancouver, B.C. V6C 2T8

T 866 206 3030
F 604 660 3365

/ **You're Protected**
bcsa.ca

"The distribution of insurance in the B.C. marketplace is regulated by the *Financial Institutions Act* (the "FIA"). A person receiving compensation for acting as an insurance agent or salesperson may require a licence from the Insurance Council of B.C. Allowing payment of compensation or commissions to unlicensed insurance agents or salespersons is prohibited by the Act.

Proof of compliant licensing, or licensing exemption status under the FIA is required prior to your receipt of commissions or other compensation contemplated under this agreement."

2. To pay to BCFSa the total amount of \$20,000 within 30 days of the date of this Voluntary Compliance Agreement in lieu of the Superintendent issuing a Notice of Administrative Penalty under section 253.1 of the FIA; and
3. To pay BCFSa investigative costs in the total amount of \$3,000.00 within 30 days of this Voluntary Compliance Agreement in lieu of the Superintendent issuing an order for investigative costs to be paid under section 241.1 of the FIA.

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

Signed to at the City of Hamilton, in the province of Ontario, Canada.

This 1st day of August 2025.

Authorized Signatory

Old Republic Insurance Company of Canada

Name: "Original signed by Michael Glas"

Title: AVP Compliance

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

This 31st day of July, 2025.

BC Financial Services Authority

Name: "Original signed by Joy Tcheng"

Title: VP, Financial Institutions