

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

and

Trisura Guarantee Insurance Company

(Pursuant to sections 158 and 244 of the *Financial Institutions Act*)

AMENDED VOLUNTARY COMPLIANCE AGREEMENT

WHEREAS BCFSA conducted an examination of Trisura Guarantee Insurance Company (“Trisura”) to determine if Trisura established effective controls to prevent improper sales of secondary auto insurance products distributed through automobile dealerships in B.C.;

AND WHEREAS Trisura is an extraprovincial insurance company authorized to carry on general insurance business within B.C. pursuant to the *Financial Institutions Act* (“FIA”);

AND WHEREAS BCFSA staff completed an examination of Trisura’s oversight and monitoring of its outsourcing arrangements with intermediaries and the distribution of secondary auto insurance products in B.C. and has issued a Final Examination Report dated May 10, 2023 to Trisura (the “Report”);

AND WHEREAS the BCFSA examination found that Trisura was committing acts or pursuing courses of conduct that might reasonably be expected to harm the interests of insureds pursuant to section 244 of the FIA by failing to establish and implement adequate oversight and internal controls over the distribution of secondary auto insurance products in B.C. by intermediaries;

AND WHEREAS the examination found that Trisura had developed and implemented some controls to prevent improper sales of secondary auto insurance products but that these controls were insufficient or absent in all areas under review;

AND WHEREAS Trisura acknowledges there were deficiencies in their oversight and controls over the distribution of secondary auto insurance products in B.C., and that Trisura was and continues to be committed to taking remedial actions to improve practices around fair treatment of consumers;

AND WHEREAS Trisura and the Superintendent entered into a Voluntary Compliance Agreement on May 31, 2023, where Trisura undertook to bring all non-compliant products into compliance with the FIA, its regulations, and applicable guidelines, establish comprehensive policies and procedures, review processes, and monitoring and oversight controls, as described in paragraphs (i)-(iv) below, by June 30, 2023 (the “Undertaking”);

AND WHEREAS Trisura has demonstrated good faith efforts to comply with the Undertaking and has ceased to market or distribute secondary auto insurance products that are non-compliant with the FIA, its regulations, and applicable guidelines;

AND WHEREAS Trisura has requested an extension to the deadline to fulfill its obligations under the Undertaking;

NOW THEREFORE the Superintendent considers it appropriate to ~~enter into a~~ amend the Voluntary Compliance Agreement with Trisura agreed to on May 31, 2023, pursuant to sections 158 and 244 of the FIA, according to which Trisura will continue taking remedial actions, including the actions set out in an action plan provided by Trisura to BCFSA on April 18, 2023 to address the concerns and recommendations included in the Report.

~~By June 30, 2023, Trisura undertakes to that:~~

- (i) ~~Bring all non-compliant insurance products into compliance with the FIA, its regulations, and applicable regulatory guidelines~~ Trisura and its intermediaries in B.C. will only market, distribute, or sell the secondary auto insurance products after Trisura demonstrates, to the satisfaction of BCFSA, that it is able to do so in compliance with the FIA, its regulations, and applicable regulatory guidelines;
- (ii) By September 30, 2023, Trisura will ~~E~~establish comprehensive policies and procedures over its outsourcing arrangements in B.C. and implement a formal process to regularly review its policies and procedures to ensure they are up to date,

include fair treatment of customers principles, and are in compliance complying with statutory requirements and regulatory expectations;

- (iii) By September 30, 2023, ~~R~~review and update, as needed, its outsourcing agreements with intermediaries to ensure agreements are consistent and compliant with policies and procedures, and establish a periodic review and update process of outsourcing agreements; and
- (iv) By September 30, 2023, ~~E~~establish monitoring and oversight controls over its intermediaries to ensure compliance with the conditions of outsourcing agreements.

This Voluntary Compliance Agreement may be amended with the written consent of both the Superintendent and Trisura.

Agreed to at the City of Vancouver

Province of British Columbia

This 3rd day of August, 2023

“ROBERT LITT”

By Trisura Guarantee Insurance Company, Authorized Signatory

Name:

Agreed to at the City of Vancouver

Province of British Columbia

This 30 day of July, 2023

“BLAIR MORRISON”

Blair Morrison

Superintendent of Financial Institutions

BC Financial Services Authority