

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 Shahzad Gurmani
(the “Former Adjuster”)

AGREED STATEMENT OF FACTS AND JOINT SUBMISSION

WHEREAS the AIC undertook a review of the Former Adjuster’s 2020/2021 renewal application for an Adjuster's certificate of authority dated May 22, 2020, based on the investigation it was revealed that the Former Adjuster had failed to provide information required by the Minister on his renewal application;

AND WHEREAS this review established that the Former Adjuster failed to disclose his prior conviction dated November 21, 2019 by the Registered Insurance Brokers of Ontario (“RIBO”) on the renewal application he submitted on May 22, 2020;

AND WHEREAS the Former Adjuster is aware of the opportunity to retain and instruct legal counsel with respect to the matters referred to in this Agreed Statement of Facts and Joint Submission;

NOW THEREFORE the Former Adjuster and the Director of Compliance agree as follows:

- 1.0 For the purposes of this Agreed Statement of Facts and Joint Submission, the Former Adjuster makes the following admissions and submissions:
 - 1.1.1 The Former Adjuster was the holder of a certificate of authority (A-157722) to transact business as an Adjuster. The Former Adjuster was licensed from June 27, 2018 to Jan 26, 2021.
 - 1.1.2 On January 26, 2021, the AIC received termination notification from the Former Adjuster’s employer, ClaimsPro, indicating that the Former Adjuster was found guilty of misconduct by RIBO and failed to report this offence.
 - 1.1.3 The Former Adjuster submitted a 2020/2021 renewal application for an Adjuster’s certificate of authority on May 22, 2020. The application contained the following question: “*Since the date of your last application, have you been convicted of an offense under the Insurance Act, Criminal Code or any other enactments?*” In response to that question, the Former Adjuster answered “No” on the application.
 - 1.1.4 On January 28, 2021, the Former Adjuster responded to a request for information from the AIC and, in response to the request that the Former Adjuster provide an explanation as to the reason why he did not disclose his prior conviction, the Former Adjuster stated, “I did not think adjusting license was as [*sic*] same as broker license”.

- 1.1.5 On February 19, 2021, in a telephone conversation, the Former Adjuster accepted responsibility for his mistake, acknowledging that he did not disclose the conviction of his serious offence, as such, is prepared to pay the amount of the penalty.
 - 1.1.6 This is the first recorded occurrence of a contravention of the Act and/or Regulations for the Former Adjuster, as the Former Adjuster has not been previously disciplined by the AIC.
- 2.0 As a result of the facts set out in this Agreed Statement of Facts and Joint Submission, the Former Adjuster contravened section 467 (1)(c) of the Act, and consequently violated section 480 (1)(b) of the Act for failing to provide information required by the Minister on the application for his certificate of authority.
- 3.0 The Former Adjuster and the Director of Compliance jointly recommend to the Insurance Adjusters Council (the "Council") that the Council approve this Agreed Statement of Facts and Joint Submission and resolve, dispose of and finally conclude this matter involving the Former Adjuster by approving a decision in the form annexed hereto as Schedule 1, which provides for a civil penalty in the amount of \$1000.00, in accordance with the penalties prescribed in section 13 (1)(b) of the *Certificate Expiry, Penalties and Fees Regulation*, AR 125/2001.
- 4.0 The Former Adjuster recognizes that the acceptance of the decision set out in Schedule 1 shall be at the unfettered discretion of the Council.
- 5.0 The Former Adjuster is aware of and acknowledges that upon receiving notification of the Council's decision, the civil penalty specified in Schedule 1 must be paid within the time frames set out in section 480 (4) of the Act.
- 6.0 The Former Adjuster is also aware of and acknowledges that by entering into this Agreed Statement of Facts and Joint Submission, the Former Adjuster waives their right to appeal this decision as set out in section 482 of the Act.
- 7.0 The Former Adjuster waives any existing right they may have under the Act or otherwise to a hearing, review, judicial review or appeal of this matter.
- 8.0 The Former Adjuster acknowledges that this Agreed Statement of Facts and Joint Submission may be referred to in this or any other proceeding under the Act, and in regulatory proceedings in other jurisdictions.
- 9.0 The Former Adjuster recognizes that this Agreed Statement of Facts and Joint Submission resolves all issues involving the Former Adjuster in this matter only, as set out herein.
- 10.0 This Agreement can be executed in several counterparts, each of which will be treated in the same way as an original, and all the counterparts will together make a single agreement.
- 11.0 This Agreement can be executed and exchanged by facsimile or other electronic means and in such a way is binding as if original signatures were used.

Dated at the City of Calgary, in the Province of Alberta this _17_ day of ___ March _____ 2021.

ALBERTA INSURANCE COUNCIL

PER:

[Original Signed By]

Sharan Dhalla, Director of Compliance

Dated at the City of Yellowknife, in the Northwest Territories this _17_ day of
___ March _____ 2021.

[Original Signed By]
Shahzad Gurmani, Former Adjuster

In the presence of:

[redacted]
Signature of Witness

[H.]
Name of Witness (please print)

SCHEDULE 1

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 Shahzad Gurmani
(the "Former Adjuster")

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

WHEREAS the AIC conducted an investigation into the Former Adjuster's failure to disclose a prior conviction on his 2020/2021 renewal application.

AND WHEREAS as a result of the information received, the Director of Compliance and the Former Adjuster entered into an Agreed Statement of Facts and Joint Submission, a copy of which is attached hereto;

AND WHEREAS pursuant to the Agreed Statement of Facts and Joint Submission, the Former Adjuster has agreed to pay a civil penalty in the amount of ONE THOUSAND DOLLARS (\$1000.00) and has acknowledged that the Council has the discretion to accept or reject that recommendation;

AND WHEREAS the Council considers that it would be in the public interest to approve the said Agreed Statement of Facts and Joint Submission;

IT IS ORDERED that:

1. The Agreed Statement of Facts and Joint Submission be accepted and is hereby approved; and
2. The Former Adjuster pay a fine of ONE THOUSAND DOLLARS (\$1,000), in accordance with the terms and conditions set out in the Agreed Statement of Facts and Joint Submission.

The attached Agreed Statement of Facts and Joint Submission was reviewed by the Council and a motion to approve this decision was made and carried at a properly conducted meeting of the Insurance Adjusters Council. The motion was duly recorded in the minutes of that meeting.

Date: __ June 23, 2021 __

[Original Signed By]
Chair Insurance Adjusters Council