

IN THE MATTER OF  
*THE SASKATCHEWAN INSURANCE ACT*, S.S. 1978, c. S-26

AND

IN THE MATTER OF  
WORLD WIDE WARRANTY, INC.  
doing business as "CANADIAN AUTO WARRANTY SERVICES"

**COMPLIANCE ORDER**  
**Pursuant to Section 475.31**

**WHEREAS** pursuant to section 28 of *The Saskatchewan Insurance Act* (the "Act"), no person shall transact insurance in Saskatchewan unless:

- (i) he or she holds a subsisting licence under the Act as an insurer; or
- (ii) he or she is exempted from the section;

**AND WHEREAS** pursuant to section 416 of the Act, no person shall act as an insurance agent in Saskatchewan unless:

- (i) he or she holds a subsisting licence under the Act as an agent or as a salesman of a licensed agent; or
- (ii) he or she is exempted from the section;

**AND WHEREAS** pursuant to section 417 of the Act, no person shall hold himself or herself out in Saskatchewan as an insurance agent or as a salesman of an insurance agent unless:

- (i) he or she holds a subsisting licence under the Act as an agent or as a salesman of a licensed agent; or
- (ii) he or she is exempted from the section;

**AND WHEREAS** it appears to the Superintendent that:

1. World Wide Warranty, Inc., doing business as "Canadian Auto Warranty Services", (hereinafter referred to as "Canadian Auto Warranty Services") is soliciting persons in Saskatchewan to purchase an extended warranty service over the telephone;
2. The extended warranty service offered to persons in Saskatchewan by Canadian Auto Warranty Services is insurance within the meaning of clause 2(1)(gg) of the Act;
3. By soliciting persons in Saskatchewan over the telephone to purchase the extended warranty service, Canadian Auto Warranty Services is:
  - (i) transacting insurance in Saskatchewan; or

- (ii) acting in Saskatchewan as, or holding itself out in Saskatchewan as, an insurance agent or salesman of an insurance agent;
4. Canadian Auto Warranty Services is not exempted from sections 28, 416 or 417 of the Act; and
  5. Canadian Auto Warranty Services is in contravention of sections 28, 416 and/or 417 of the Act.

**AND WHEREAS** pursuant to subsection 475.31(1) of the Act, the Superintendent may issue an order under subsection 475.31(2) of the Act if the Superintendent is satisfied that it is in the public interest or that any of the following exist:

- (a) a person is not complying with the Act;
- (b) a person's activities or failure or neglect to undertake any activities will result in that person not complying with the Act; or
- (c) a person's activities or failure or neglect to undertake any activities may harm the interests of consumers.

**AND WHEREAS** pursuant to subsection 475.31(2) of the Act, where the Superintendent is satisfied that the grounds under subsection 475.31(1) exist, the Superintendent may order a person to do all or any of the following:

- (a) to cease doing an act or to cease failing or neglecting to do an act;
- (b) to comply with the Act;
- (c) to do or refrain from doing any other thing that the Superintendent considers necessary.

**AND WHEREAS** pursuant to subsection 475.31(4) of the Act, where the Superintendent considers it necessary to protect the public interest, the Superintendent may immediately issue an order under subsection 475.31(2) of the Act without giving the person an opportunity to be heard, but shall give the person an opportunity to be heard within 15 days after the date on which the Superintendent issued the order.

**AND WHEREAS** the Superintendent is satisfied that it is in the public interest to issue an order pursuant to subsection 475.31(2) of the Act and considers it necessary to protect the public interest to issue the order immediately and without giving Canadian Auto Warranty Services an opportunity to be heard, for the following reasons:

1. More than fifty Saskatchewan residents have been contacted by Canadian Auto Warranty Services in the past seven days and solicited to purchase an extended warranty service;
2. Canadian Auto Warranty Services is soliciting Saskatchewan residents over the telephone and has no physical presence in Saskatchewan.
3. Canadian Auto Warranty Services is based outside of Canada;

4. Canadian Auto Warranty Services is attempting to and has collected credit card, bank account and other personal financial information from Saskatchewan residents in the course of soliciting the extended warranty service.

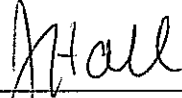
**THE SUPERINTENDENT HEREBY ORDERS:**

1. Pursuant to clauses 475.31(2)(a) and (b) and subsection 475.31(4) of the Act, that World Wide Warranty, Inc., doing business as "Canadian Auto Warranty Services", immediately:
  - a. Cease and desist soliciting persons in Saskatchewan to purchase extended warranty services;
  - b. Cease and desist transacting insurance in Saskatchewan or acting in Saskatchewan as, or holding itself out in Saskatchewan as, an insurance agent or salesman of an insurance agent;
  - c. Cease and desist obtaining payment from persons in Saskatchewan for the purchase of extended warranty services and from obtaining credit card, bank account or other financial information from persons in Saskatchewan in relation to extended warranty services; and
  - d. Comply with sections 28, 416 and 417 of the Act.

**AND TAKE NOTICE THAT:**

World Wide Warranty, Inc., doing business as "Canadian Auto Warranty Services", is hereby provided an opportunity to be heard by the Superintendent with respect to this Order on the 22nd day of December, 2008 at the hour of two o'clock in the afternoon at 601 – 1919 Saskatchewan Drive, Regina, Saskatchewan;

DATED this 12th day of December 2008 at the City of Regina, in the Province of Saskatchewan.

  
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J. M. Hall  
Superintendent of Insurance