



**MINUTES OF THE
ANNUAL MEETING
OF THE MEMBERS OF THE
TRAVEL INDUSTRY COUNCIL OF ONTARIO**

Thursday, September 25, 2025

The virtual meeting was called to order at 5:00 p.m. Michael Levinson, the Board Chair, introduced himself and welcomed everyone to the 2025 Annual Meeting of the Travel Industry Council of Ontario (TICO).

1. Welcome and Call to Order

Michael Levinson introduced the other presenters and the current members of the Board of Directors and thanked registrants, industry stakeholders, members of the public and colleagues from the Ministry for making the time to attend.

Michael Levinson acknowledged that TICO's office is located on the treaty lands and territory of the Mississaugas of the Credit First Nation. TICO honors all Indigenous voices as part of its commitment to a more diverse and inclusive workplace and society.

Michael Levinson confirmed receipt of a Certificate of Service of Notice from the Corporate Secretary, indicating that notice of the annual meeting was duly given to members of TICO in accordance with TICO's by-laws.

Michael Levinson confirmed that there were at least five members present, which is a quorum, and declared the meeting properly constituted.

Michael Levinson reviewed the Rules of Procedure and the features of the virtual platform being used for the annual meeting. A practice vote was successfully conducted, confirming that voting members could comfortably use the virtual platform.

2. Minutes of the Annual Meeting held on September 24, 2024

There were no issues raised, or questions posed regarding the minutes of the Annual Meeting held on September 24, 2024.

3. **Update from the Ministry of Public and Business Service Delivery and Procurement**

The Honourable Minister Stephen Crawford, Minister of Public and Business Service Delivery and Procurement, provided a message to attendees. Highlights of his remarks are as follows:

- TICO's work is vital to Ontario's travel sector which connects families, protects travel consumers, supports jobs and showcases Ontario to the world.
- While travel and tourism industries play a vital role in Ontario's economic growth, the Ontario government recognizes both the opportunities and ongoing challenges including pandemic recovery, rising consumer expectations and efforts to combat travel related fraud.
- The Ontario government continues to support TICO as it delivers on its mandate to protect consumers and strengthen confidence in travel services.
- TICO plays a crucial role in supporting a fair, transparent and resilient travel marketplace across Ontario, and providing travellers with peace of mind as they explore Ontario and the world.
- TICO has been instrumental in supporting the industry as an agile, proactive and responsive modern regulator.
- Over the past year, TICO has launched several key initiatives, including modernization of its fee structure, improvements to Board governance and establishment of advisory councils that incorporate both industry and consumer perspectives.
- The travel industry Compensation Fund continues to give Ontarians peace of mind by booking through registered agents or wholesalers.
- These efforts reinforce TICO's commitment to consumer protection while providing registrants with a transparent and equitable operating framework.
- Looking ahead, the Ministry is encouraged by TICO's ambitious goals as TICO sets out its three-year business plan. TICO's commitment reflects a forward-looking vision that positions TICO not just as a regulator, but as a true partner in building a consumer-focused travel industry in Ontario.
- Ontarians deserve a transparent, accountable market backed by strong protections and fair enforcement.
- Together, TICO and the Ministry will deliver on their mandate to protect Ontario.
- The Ministry will keep driving innovation, maintain smart regulation, cut unnecessary red tape and ensure that Ontario remains competitive and resilient.
- The Ministry looks forward to continuing its partnership with TICO to support innovation, accountability and excellence in consumer protection.

4. **Annual Report from the Chair**

Michael Levinson noted that TICO has continued to navigate the complexities of a global travel marketplace that is constantly evolving. TICO has deepened its engagement with stakeholders through its advisory councils and has achieved significant progress in addressing the recommendations of the Auditor General from their 2023 value-for-money audit.

TICO's commitment has been consistent; to protect Ontario's travel consumers.

Michael Levinson highlighted some of the key initiatives that TICO's Board has been focused on over the past year:

Risk Management

Economic volatility and the geopolitical climate are impacting the travel industry in real time. Canadian travel sentiments have shifted rapidly over the past year, giving rise to new travel patterns, trends and priorities.

Risk oversight has become a top priority for the Board in response to the rapidly changing economic environment. TICO has adopted a proactive approach in managing risks by identifying potential risks early, conducting thorough risk assessments and implementing effective mitigation strategies.

TICO's overall objective is to preserve consumer confidence in Ontario's travel marketplace. The TICO Board continues to work hard to ensure that TICO remains agile, resilient, and prepared to respond to uncertainties.

Strategy & Policy

Equally important is ensuring that TICO's strategies and policies evolve with the rapidly changing environment. The Board remains committed to guiding TICO's response to the Auditor General's recommendations.

The Board has supported initiatives to enhance operational effectiveness, increase efficiency and strengthen business intelligence including exploring the role of artificial intelligence and other emerging technologies in TICO's evolution.

TICO's governance approach is rooted in accountability and forward-thinking, ensuring TICO is adequately prepared for today's challenges and tomorrow's opportunities.

TICO's CEO, Richard Smart, will provide more insight into TICO's progress during his remarks.

Stakeholder Input

A key part of TICO's forward-looking approach is stakeholder engagement. Last year, TICO launched two new advisory councils: one for consumers and one for the industry. With a full year of activity now complete, both councils have proven to be invaluable to the Board.

The councils have brought new perspectives directly to the Board, enabling the Board to make better and more informed decisions. The insights from the councils have enriched Board discussions and enhanced Board oversight.

The Chair thanked the Board of Directors for their commitment to TICO's mandate and TICO staff for their continued professionalism and hard work. The Chair also expressed his gratitude to Minister Crawford and his team for their continued support and partnership.

5. Annual Report from the CEO

The CEO welcomed attendees to TICO's 2025 Annual Meeting and thanked the Minister for his thoughtful remarks.

The CEO provided an update on the activities of TICO over the past year. Highlights are as follows:

Market Update

The past fiscal year began with renewed optimism. Inflation and interest rates trended downward, resulting in a favourable economic environment and strong consumer demand for travel.

The first half of the year unfolded as envisaged, with increasing consumer confidence driving performance across Ontario's travel agencies and tour operators. However, the global landscape shifted last fall.

The U.S. election, emerging tariff concerns, and ongoing geopolitical tensions introduced significant volatility into the market, leading to reduced consumer confidence and affordability concerns.

Despite these challenges, the Ontario travel sector demonstrated remarkable resilience, ending the year with near-record sales.

During the fiscal year ended March 31, 2025, Ontario Gross Sales were at \$18 billion, compared to \$18.1 billion recorded the previous year, and representing 99% of the pre-pandemic record year of 2018/2019.

TICO recognizes that some registrants are still faced with the lingering impact of COVID-related debts. The Compliance team will continue to work closely with registrants on maintaining overall compliance.

Stakeholder Engagement

TICO's Vision and Mission statements remain unchanged as TICO continues to focus on strengthening its value proposition for consumers, registrants, and other stakeholders. TICO has actively engaged with consumers and the Ontario travel industry over the past year to better understand where TICO can add more value.

TICO's stakeholder engagement initiatives included meeting with industry members at events across the province, sharing updates at conferences and having productive dialogue at trade show booths.

TICO completed its first full year with the Industry Advisory Council and the Consumer Advisory Council. These councils offered fresh perspectives and insights that are helping to shape TICO's approach.

Consumer protection works best when stakeholders collaborate with each other. Contributions from the travel industry and consumers help ensure that the system remains fair and effective.

TICO's Value Proposition

TICO conducts comprehensive surveys with registrants and Ontario consumers every two years to assess trust, value and satisfaction. The latest results are impressive.

On the Consumer Side:

- 80% of respondents believe TICO is a valuable resource for travellers.
- Among Ontarians who are aware of TICO and its services, 75% prefer to book with a TICO-registered travel agency, compared to 43% of the public. This is an opportunity to raise awareness on the protections available to consumers particularly during this time of uncertainty.
- More consumers are actively taking steps to confirm that they are booking their travels with registered agencies, which is a positive trend in today's travel environment.

On the Industry Side:

- Approximately 70% of registrants expressed confidence in TICO, and about 70% are satisfied with TICO.

- TICO received favourable responses to it creating a level playing field, working to ensure positive consumer protection outcomes, and being fair and consistent in enforcing regulations.

TICO takes all the feedback, both positive and constructive, to understand how it can better deliver on its consumer protection mandate while supporting the travel industry.

Auditor General

The Office of the Auditor General completed its value-for-money audit of TICO in December 2023. Since then, TICO has continued to issue periodic progress reports to the public. At the end of the last fiscal year, TICO has completed 70% of TICO specific action items and nearly 80% as of today.

TICO has made remarkable improvements in effectiveness, efficiency, and transparency, including the launch of a new security return process, an improved agency search feature, and an updated toolkit that travel agencies and tour operators can utilize to communicate with clients.

The recommendations that require regulatory changes and a broader legislative and TICO mandate review remain a priority for the Minister and the Ministry as they evaluate all the initiatives within their mandate.

TICO will keep stakeholders informed as more information becomes available.

Financial Stewardship

TICO remains firmly committed to its fiduciary responsibility and to maintaining a strong system of financial controls. TICO met its budget obligations reporting a reasonable surplus for the fiscal year. A few of the highlights from the past year are as follows:

- As of April 1, 2024, TICO implemented a new funding framework and fee model that better aligns fees with the underlying services associated with the Compensation Fund and other regulatory functions. This initiative reflects one of the recommendations from the Auditor General.
- TICO's operating costs are now fully funded through registration and other fees paid by registrants. TICO has enhanced the transparency of its financial reporting for the Compensation Fund by introducing a separate statement of operations for the Fund.
- TICO's total revenue for the last fiscal year was \$7.8 million, an increase of nearly 7% compared to the prior year.
- The distribution of revenue from various sources changed as TICO implemented the new fee model. Renewal fees represented 57% of the

total revenue for the year. This was supported by strong capital market performance as reflected in TICO's investment outcome.

- Expenses for the year were nearly \$6 million, representing a planned increase of approximately 16% over the prior year.
- This increase is largely attributable to TICO's investments in addressing the Auditor General's recommendations, adding new resources to TICO staff and engaging professional support services.
- These investments are aimed at ensuring that TICO remains an effective regulator in an increasingly complex marketplace.
- Consumer claims against the Compensation Fund amounted to approximately \$403,000, reflecting an increase from \$109,000 the previous year, but lower than actuarial expectations.
- As of March 31, 2025, the Compensation Fund balance stood at just under \$24 million, approximately \$200,000 higher than the prior year.
- The fiscal year ended with a net surplus, which will be retained in reserves to prepare for potential economic challenges.

The strength and resilience of Ontario's travel agencies and tour operators continue to foster a trusted marketplace where consumers can book travel with confidence and businesses can flourish.

TICO is optimistic that the Ontario travel sector will continue to grow notwithstanding market uncertainties.

The CEO thanked the dedicated team at TICO, the Board of Directors, and the Ministry for their continued support. He also thanked everyone present for taking time out of their busy schedule to join the annual meeting.

6. **Annual Report from the Registrar**

The Registrar delivered her annual report. Highlights are as follows:

Registration Update

TICO's registrant base has remained stable over the past year. As of March 31, 2025, there were 1,894 registrations, representing a 1.5% decrease from 1,921 the previous year. Voluntary terminations were 141 throughout the year, similar to 135 terminations the prior year.

TICO processed 114 new registration applications this year, which is one of the highest levels achieved in recent years. This is a strong signal that entrepreneurs continue to see growth opportunities in Ontario's travel industry. The new registrants reflect a diverse range of business models, with a focus on leisure travel.

Support for Consumers

Over the past year, TICO supported thousands of consumers with their questions and concerns. While the number of formal written complaints declined to 116, down from 281 the previous year, phone and email enquiries remained consistent. TICO successfully assisted consumers in recovering \$121,441 in restitution, compared to \$354,534 in the previous year.

A significant number of enquiries were related to airline issues, which were referred to the Canadian Transportation Agency. TICO also assisted consumers with a variety of complaint matters including issues with trip cancellations, inadequate disclosures, and dissatisfaction with services received while at their destination.

TICO received enquiries about travel businesses outside of Ontario, which fall outside of TICO's regulatory authority. These opportunities are utilized to educate consumers about the value of booking with TICO-registered travel agencies and websites, so they have confidence in their future travel purchases.

Financial Compliance Report

TICO understands the financial challenges many travel businesses are currently facing, especially around maintaining positive working capital in an increasingly competitive market. TICO is committed to supporting travel agencies and tour operators to meet both their financial and regulatory requirements. Enforcement action is always a last resort to be pursued after all other options have been exhausted.

Risk Based Oversight

In response to the Auditor General's recommendations, TICO has developed an enhanced, risk-based framework that assigns risk scores to travel agencies and tour operators at the point of registration. The new framework will be implemented later this year. This new approach will facilitate a more proactive and targeted approach to risk oversight, ensuring TICO's resources are focused where they are needed the most.

Maintaining Level Playing Field

There was a 50% increase in warnings issued to unregistered travel sellers this year. Many of these transactions involved short-term rental agencies or special-interest and hobby-based travel organizers, where travel is not their primary business. TICO achieved a success rate of over 90% in bringing the unregistered agents into compliance. The remaining cases were referred to investigations.

TICO's approach prioritizes education and support first, with enforcement used only when necessary. These efforts play a vital role in protecting consumers and maintaining the integrity of Ontario's regulated travel marketplace.

Education Update

In addition to businesses holding a TICO registration, all individual travel advisors are required to complete TICO's certification program and pass the certification exam. In the past fiscal year, nearly 9,000 exams were written. While this represents an 11% decrease from last year's peak during the industry's post-pandemic recovery, it is still above historic levels. It is evident that Ontarians continue to view travel sales as a great career choice.

Certification Program

TICO is in the final stages of developing an enhanced version of the certification program designed to meet the needs of today's learners. The new program will be a fully modernized, interactive online learning experience, developed in partnership with a leading adult education provider.

Rather than focusing on memorization, the enhanced program is designed to actively engage learners by helping them understand and apply key regulatory and consumer protection concepts to real-world situations. The goal is to deepen regulatory understanding and to raise the bar for professionalism across the industry. More details of the program will be shared in the coming months.

The Registrar thanked TICO staff for their professionalism and dedication in serving the industry and the public.

7. Election of Directors

(a) Industry Elected Director

The Governance and Nominations Committee solicited applications for one industry position available on the Board of Directors. Information about the candidates was included with the materials for the meeting and posted on TICO's website.

Registrant members were asked to vote for one of the following industry candidates:

- Dean Dacko, President, Uniglobe Travel Canada
- Andrew Dawson, President, Sunwing Vacations
- Lisa Egan, Manager, Expedia Cruises
- Mike Foster, Travel Consultant, Nexion Travel Group Canada

- Alain Guertin, Owner, Phoenix Voyages
- Suhaib Mohammad Kidwai, CEO, Fly Global Inc.
- Mandi Nelson, Risk & Legal Manager, Flight Centre Travel Group
- Akam Pachachi, CEO and Founder, Traveronto
- Shadi Shaafi, Founder and President, Abeona International Inc.
- Andrew Said, CFO, Butterfield & Robinson

The candidate with the highest number of votes will serve for a three-year term.

The vote was conducted.

Michael Levinson advised that the winner of the three-year elected position was Mike Foster. Michael Levinson congratulated Mike Foster.

(b) Public Elected Director

The Governance and Nominations Committee also solicited applications from experienced leaders beyond the travel industry for the one elected public position available on the Board. Three applications were received and reviewed by the Committee.

The Board has a Matrix that sets out the competencies that are required on the Board so that it can effectively execute its responsibilities to oversee the travel industry and protect consumers. Assessments and gap analyses are regularly conducted to determine if there are any gaps. When reviewing the applications, the Committee is looking to find the candidate that best meets the needs of the Board.

This year, the Board was looking for individuals with legal, risk management, technology, and human resources experience. The Governance and Nominations Committee recommended Heather Colquhoun for the public Board position based on her expertise in human resources and her experience on the Board over the past two years.

The Board confirmed the recommendation of Heather Colquhoun for the public position. Heather's biography was included in the meeting materials on TICO's website.

The following motion was moved by Christopher Warren and seconded by Akam Pachachi:

BE IT RESOLVED THAT Heather Colquhoun is elected as a Public Director of the Corporation for a three-year term.

The motion was carried.

Michael Levinson congratulated Heather Colquhoun and thanked all the candidates who put their names forward for the election.

(c) Outgoing Directors

Michael Levinson thanked Nadirah Nazeer and Andrew Dawson for their service on the Board.

8. Financial Report

(a) Financial Statements for the year ended March 31, 2025

The CEO advised that an audit of TICO's financial statements was conducted. The Auditor's Report is included with the financial statements in the 2025 Annual Report. Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

The Auditor's responsibility is to express an opinion on the financial statements based on their audit. It is the Auditor's opinion that the financial statements present fairly, in all material respects, the financial position of TICO as at March 31, 2025, and its financial performance and its cash flows for the years then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

There were no questions or comments regarding the financial statements.

(b) Auditor's Report

Michael Levinson introduced Alex Herbert from BDO Canada LLP (BDO).

Alex Herbert confirmed that BDO audited TICO's financial statements for the period ending March 31, 2025. BDO concluded the financial statements present fairly, in all material respects, the financial position of TICO as at March 31, 2025, and its financial performance and its cash flows for the years then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Alex Herbert confirmed that TICO received a clean audit opinion. No issues or exceptions were noted.

Michael Levinson asked whether anyone wanted the Auditor to read his full report. In the alternative, he requested a motion to dispense with the reading of the Auditor's full report.

Robert Townshend moved to dispense with the reading of the Auditor's full Report. Seconded by Nishant Sharma.

MOTION CARRIED

Members were given an opportunity to ask the Auditor questions. There were no questions on the Auditor's Report.

9. Appointment of the Auditors

The TICO Board of Directors recommended BDO Canada LLP as TICO's Auditors for 2025/2026. BDO has been TICO's Auditors since the 2016/2017 fiscal year. TICO issued a Request for Proposals in 2022 and BDO Canada LLP was again the successful firm.

Members were given an opportunity to ask questions about the Auditors. No questions were received.

Christopher Warren moved to retain BDO Canada LLP as Auditors and to authorize the Board of Directors to fix the Auditor's remuneration. Seconded by Akam Pachachi.

MOTION CARRIED

10. Other Business

(a) Question and Answer Session

There was one question and one comment posed at the meeting:

1. After reading the Auditor General's report, does the Board have confidence in TICO's management team and can registrants rest assured that there is no wrongdoing at TICO beyond the items identified in the Auditor General's report since they only examined a portion of TICO's operations?

Michael Levinson confirmed that the scope of the Auditor General's audit was very extensive and covered key areas of TICO's operations. The Chair further confirmed that the Board has absolute confidence in TICO's management and has no concerns about any wrongdoing at TICO.

2. Registrants are looking for more support from TICO's compliance team in the Ottawa region.

The Registrar encouraged the individual to email TICO at tico@tico.ca to provide more detail about his concerns. She confirmed that TICO proactively

monitors all compliance issues across the province. Any specific concerns regarding compliance issues should be emailed to TICO for review.

Michael Levinson reminded stakeholders that TICO staff are available to answer questions throughout the year. Stakeholders are welcome to send comments and queries to TICO, and they will be directed to the appropriate person for response.

Michael Levinson informed stakeholders that the recording of the meeting would be available on TICO's website in the coming weeks.

11. Conclusion of the Meeting

Michael Levinson thanked everyone for attending TICO's 2025 Annual Meeting.

The meeting was adjourned at 6:00 p.m.

Board Chair

Corporate Secretary