

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 Jencor Mortgage Corporation  
(the "Agency")  
As represented by  
Lianne Briggs, Designated Individual,  
(the "DI")  
And  
Croft Axen, Former Designated Individual  
(“CA”)

**AGREED STATEMENT OF FACTS AND JOINT SUBMISSION**

WHEREAS the AIC undertook a review of the Agency’s licensing records, during which review information came to light that indicated that the Agency had been acting as a restricted insurance agent while unlicensed;

AND WHEREAS the review established that the Agency had sold credit related insurance policies during the period from February 16, 2012 to and including July 30, 2014, without a valid and subsisting Certificate of Authority and was compensated for acting as a restricted insurance agent by Western Life Assurance Company (“Western Life”);

AND WHEREAS the Agency 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 Agency and the Investigator agree as follows:

- 1.0 For the purposes of this Agreed Statement of Facts and Joint Submission, the Agency through CA makes the following admissions and submissions:
  - 1.1.1 The Agency is the holder of a Certificate of Authority (93-1349063) to transact business as a restricted insurance agent to sell credit related insurance and has been licensed since September 1, 2001, other than for the period from February 16, 2012 to and including July 30, 2014;
  - 1.1.2 CA was named as the Designated Individual from May 6, 2011 to and including January 30, 2015 on the credit related Certificate of Authority held by the Agency;
  - 1.1.3 LB is named as the Designated Individual since January 30, 2015, on the credit related Certificate of Authority held by the Agency
  - 1.1.4 In a letter dated July 24, 2014, CA stated that the Agency had acted as, and been compensated for acting as, a restricted insurance agent;

- 1.1.5 The AIC sent a letter to the Agency dated October 29, 2014, which requested details as to the number of credit related insurance policies the Agency sold from February 15, 2014 to and including July 30, 2014, as well as details in relation to the compensation it had received for doing so. The AIC received a letter dated November 14, 2014, from CA confirming that the Agency sold 54 credit related insurance policies during the unlicensed period, which the Agency received compensation in the amount of \$170.68;
  - 1.1.6 In response to a letter from the AIC dated November 17, 2014, Western Life sent an email to the AIC dated November 27, 2014, which confirmed that Western Life underwrote and compensated the Agency for acting as, a restricted insurance agent during the period that the Agency was unlicensed;
  - 1.1.7 The AIC sent a letter to the Agency dated April 21, 2015, which requested details as to the number of credit related insurance policies the Agency sold from February 15, 2012 to and including July 30, 2014, as well as details in relation to the compensation it had received for doing so. The AIC received a letter dated May 4, 2015, from CA confirming that the Agency sold 260 credit related insurance policies during the unlicensed period, which the Agency received compensation in the amount of \$26, 593.72;and
  - 1.1.8 In response to a letter from the AIC dated May 7, 2015, Western Life sent an email to the AIC dated May 20, 2015, which confirmed that Western Life underwrote and compensated the Agency for acting as, a restricted insurance agent during the period that the Agency was unlicensed.
- 2.0 As a result of the facts set out in this Agreed Statement of Facts and Joint Submission, the Agency contravened section 452(1) of the Act, and consequently violated section 480 (1) (b) of the Act for acting as a restricted insurance agent during a period of time the Agency was unlicensed.
  - 3.0 The Agency and the Investigator jointly recommend to the Life Insurance Council ("Council") that the Council approve this Agreed Statement of Facts and Joint Submission and resolve, dispose of and finally conclude this matter involving the Agency by approving a decision in the form annexed hereto as Schedule 1, which provides for a civil penalty in the amount of \$300.00 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 Agency recognizes that the acceptance of the decision set out in Schedule 1 shall be at the unfettered discretion of the Council.
  - 5.0 The Agency 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 Agency is also aware of and acknowledges that by entering into this Agreed Statement of Facts and Joint Submission, the Agency waives it's right to appeal this decision as set out in section 482 of the Act.
- 7.0 The Agency waives any existing right it may have under the Act or otherwise to a hearing, review, judicial review or appeal of this matter.
- 8.0 The Agency 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 Agency recognizes that this Agreed Statement of Facts and Joint Submission resolves all issues involving the Agency in this matter only, as the matter is described above.

Dated at the City of Edmonton, in the Province of Alberta this 26th day of May, 2015.

ALBERTA INSURANCE COUNCIL

PER:

\_\_\_\_\_  
Original Signed By  
Trisha Lunt, Investigator

Dated at the City of Calgary, in the Province of Alberta, this 2<sup>nd</sup> day of July, 2015.

\_\_\_\_\_  
Original Signed By  
Lianne Briggs, Designated Individual

**In the presence of:**

Signed

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
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")  
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As represented by  
Lianne Briggs, Designated Individual,  
(the "DI")  
And  
Croft Axen, Former Designated Individual  
(the "CA")  
DECISION OF  
The Life Insurance Council  
(the "Council")

WHEREAS the Investigator of the Alberta Insurance Council ("AIC") made a request for information in relation to an investigation being conducted by the AIC into the compensation of an unlicensed restricted insurance agent, from February 16, 2012 to and including July 30, 2014;

AND WHEREAS as a result of information received, the Investigator and the DI 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 DI has agreed that the Agency will pay a civil penalty in the amount of THREE HUNDRED DOLLARS (\$300.00) in relation to the Agency being compensated for acting as a restricted insurance agent during the period of time it was unlicensed 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 Agency pay a fine of THREE HUNDRED DOLLARS (\$300.00) in accordance with the terms and conditions set out in this 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 Life Insurance Council. The motion was duly recorded in the minutes of that meeting.

Date: August 27, 2015

Original Signed By

Kenneth Doll, Chair  
Life Insurance Council