

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 Vernon McCarty
(the "Agent")

AGREED STATEMENT OF FACTS AND JOINT SUBMISSION

WHEREAS the Alberta Insurance Council (the "AIC") undertook a review of the Agent's Continuing Education (CE) records, in response to a DEMAND for information sent to the Agent as part of a CE audit;

AND WHEREAS the Agent failed to respond to the DEMAND to provide CE certificates for the last 3 licensing periods and missed the deadline provided in the DEMAND for information;

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

- 1.0 For the purposes of this Agreed Statement of Facts and Joint Submission, the Agent makes the following admissions and submissions:
 - 1.1.1 The Agent was the holder of Certificates of Authority for Life Insurance (M-142962-SP) and Accident and Sickness Insurance (Q-142962-SP) and was licensed from November 1, 2011 until December 19, 2017 when his certificates of authority were suspended for failure to respond to the CE audit;
 - 1.1.2 On November 14, 2017, the AIC emailed the Agent a DEMAND for information to respond to the CE audit within 30 days of the DEMAND;
 - 1.1.3 The Agent failed to meet the deadline to provide CE certificates necessary to pass the audit.
 - 1.1.4 The Agent's license was suspended on December 19, 2017, for his failure to respond and pass the audit in the time provided. The Agent has admitted his mistake in missing the deadline and advised the investigator that he will be more careful regarding responding to the AIC with respect to future deadlines.
 - 1.1.5 The Agent has since provided CE course certificates needed to pass the CE audit.
- 2.0 As a result of the facts set out in this Agreed Statement of Facts and Joint Submission, the Agent contravened section 481 (1) and (2) of the Act, and consequently violated section 480 (1) (b) of the Act for failing to respond to a DEMAND for information.

- 3.0 The Agent 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 Agent 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, A.R. 125/2001.
- 4.0 The Agent recognizes that the acceptance of the decision set out in Schedule 1 shall be at the unfettered discretion of the Council.
- 5.0 The Agent 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 Agent is also aware of and acknowledges that by entering into this Agreed Statement of Facts and Joint Submission, the Agent waives his right to appeal this decision as set out in section 482 of the Act.
- 7.0 The Agent waives any existing right he may have under the Act or otherwise to a hearing, review, judicial review or appeal of this matter.
- 8.0 The Agent 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 Agent recognizes that this Agreed Statement of Facts and Joint Submission resolves all issues involving the Agent in this matter only, as the matter is described above.

Dated at the City of Calgary, in the Province of Alberta this 16th day of February, 2018.

ALBERTA INSURANCE COUNCIL

PER:

Original signed by
Roy Dias, Investigator

Dated at the City of Calgary, in the Province of Alberta, this 26th day of February, 2018.

Original signed by
Vernon McCarty, Agent

In the presence of:

Original signed by [KM]
Signature of Witness

[KM]
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 Vernon McCarty
(the "Agent")

**DECISION OF
The Life Insurance Council
(the "Council")**

WHEREAS the Investigator of the Alberta Insurance Council ("AIC") made a DEMAND for information in relation to an audit for Continuing Education (CE) course certificates being conducted by the AIC;

AND WHEREAS as a result of a failure to respond to this DEMAND for information in a timely manner, the Investigator and the Agent 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 Agent has agreed to pay a civil penalty in the amount of THREE HUNDRED DOLLARS (\$300.00) 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 Agent pay a fine of THREE HUNDRED DOLLARS (\$300.00), 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 Life Insurance Council. The motion was duly recorded in the minutes of that meeting.

Date: March 14, 2018

Original signed by
Kenneth Doll, Chair
Life Insurance Council