

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 Daniel Salt
(the "Agent")

AGREED STATEMENT OF FACTS AND JOINT SUBMISSION

WHEREAS the Alberta Insurance Council (the "AIC") undertook a review of the Agent's licensing records, in response to information provided when the Agent applied to renew his license;

AND WHEREAS the review established that the Agent sold 19 general insurance policies during the period from July 1, 2017 to September 17, 2017, without a valid and subsisting Certificate of Authority and was compensated a salary for acting as a general insurance agent by Jones & Salt Insurance Brokerage Ltd. ("JS");

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 is the holder of a Certificate of Authority (H-141491-982115) to transact business as a General Insurance Agent and has been licensed since June 17, 2011 other than for the period July 1, 2017 to September 17, 2017 ("unlicensed period");
 - 1.1.2 On September 18, 2017, the AIC was advised by the Agent while renewing his insurance license that the Agent had received compensation for acting as an insurance agent when not possessing a valid and subsisting certificate of authority. The Agent advised the AIC that he felt he had renewed his license when this was not the case;
 - 1.1.3 On September 29, 2017, the investigator requested the Agent to provide him with the number of policies he had sold when unlicensed and how he was compensated. The investigator also asked the Agent to explain why he was selling insurance without a valid certificate of authority and what steps if any he had taken to ensure this does not reoccur;
 - 1.1.4 The Agent advised the investigator on October 6, 2017 that he had sold 19 policies of insurance when unlicensed. These had been underwritten by various insurance companies. The Agent had received a salary from JS during this unlicensed period. The Agent attributed this error to his reliance on emails from the AIC to renew his license. The Agent advised the investigator that he missed checking his email account that he had set up to receive these reminders and as a result missed renewing his license on time. The Agent advised the investigator that he has since made a note in his annual calendar to check his license status and has updated his email address on the AIC portal;

- 1.1.5 The investigator wrote to the insurance companies in question who confirmed that the Agent sold 19 policies when unlicensed and they paid a total of \$5,221.28 to JS as commission. Both the Designated Representative (DR) of JS and the Agent have confirmed the amount received as commission is accurate. There were no licensing fees missed due to this lapse on part of the Agent;
 - 1.1.6 The Agent told the investigator that the DR of JS has also put processes in place to ensure that this does not reoccur. The Agent is aware of the seriousness of this matter. This is the first such lapse of the Agent. The Agent is aware that any similar future occurrences may result in a fine of up to \$1,000.00 per policy sold when unlicensed.
- 2.0 As a result of the facts set out in this Agreed Statement of Facts and Joint Submission, the Agent contravened section 452 (1) of the Act, and consequently violated section 480 (1) (b) of the Act for unlicensed activity.
- 3.0 The Agent and the Investigator jointly recommend to the General 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 27th day of November, 2017.

ALBERTA INSURANCE COUNCIL

PER:

Original signed by
Roy Dias, Investigator

Dated at the City of Calgary, in the Province of Alberta, this 5th day of December, 2017.

Original signed by
Daniel Salt, Agent

In the presence of:

Original signed by
Signature of Witness

[JKT]
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 Daniel Salt
(the "Agent")

**DECISION OF
The General 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 Agent acting without a valid and subsisting certificate of authority;

AND WHEREAS as a result of information received, 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 General Insurance Council. The motion was duly recorded in the minutes of that meeting.

Date: February 7, 2018

Original signed by
Lorrie King, Chair
General Insurance Council