

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 Complete Mortgage Services Inc.  
( "Complete" )

**AGREED STATEMENT OF FACTS AND JOINT SUBMISSION**

WHEREAS the AIC undertook a review of Complete's errors and omissions ("E&O") policy information that was disclosed on its 2017/18 renewal application, during which review information came to light that indicated that the E&O information provided by the Complete was invalid;

AND WHEREAS the review established that Complete had a E&O insurance policy in place, however that policy failed to provide coverage for Complete's insurance agents activity;

AND WHEREAS Complete 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 Complete and the Investigator agree as follows:

1.0 For the purposes of this Agreed Statement of Facts and Joint Submission, Complete through its Designated Individual ("DI") makes the following admissions and submissions:

1.1.1 Complete is the holder of a Certificate of Authority (93-10783287) to transact business as a restricted insurance agency to sell mortgage policies and has been licensed since March 4, 2015 until December 11, 2017.

1.1.2 On October 16, 2017, the AIC sent an email to the DI requesting that she provide the AIC with information regarding Complete's E&O insurance policy. On October 16, 2018, the DI provided a copy of Complete's 2017/18 policy which showed that coverage was in place.

1.1.3 On November 7, 2017, the AIC sent an email to the E&O carrier requesting that the E&O carrier review their records to confirm whether the E&O insurance policy provided coverage for insurance agents activity. On November 22, 2017, the E&O carrier confirmed that the policy did not provide E&O coverage for insurance agent's activity.

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1.1.4 The DI advised that in an email dated June 16, 2017, Kevin Clark ("KC"), with Complete provided the E&O information to her. In good faith, the DI relied on the E&O information provided by KC and entered that E&O information onto the 2017/18 renewal application

- 1.1.5 Complete is aware that any similar future occurrences may result in a potential fine as high as \$1000.00 per occurrence.
- 2.0 As a result of the facts set out in this Agreed Statement of Facts and Joint Submission, Complete contravened section 465(1) of the Act, and consequently violated section 480(1)(b) of the Act for failing to meet the E&O requirements in the Act.
- 3.0 Complete 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 Complete 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 Complete recognizes that the acceptance of the decision set out in Schedule 1 shall be at the unfettered discretion of the Council.
- 5.0 Complete 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 Complete is also aware of and acknowledges that by entering into this Agreed Statement of Facts and Joint Submission, Complete waives its right to appeal this decision as set out in section 482 of the Act.
- 7.0 Complete 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 Complete 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 Complete recognizes that this Agreed Statement of Facts and Joint Submission resolves all issues involving Complete in this matter only, as the matter is described above.

Dated at the City of Edmonton, in the Province of Alberta this 13<sup>th</sup> day of June, 2018.

ALBERTA INSURANCE COUNCIL

PER:

[original signed by]

Trisha Lunt, Investigator

Dated at the City of Vancouver, in the Province of British Columbia, this 28<sup>th</sup> day of May, 2018.

Complete Mortgage Services Inc

PER:

[original signed by]

Kevin Clark

**In the presence of:**  
[original signed by] \_\_\_\_\_  
Signature of Witness

[L.H.]  
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 Complete Mortgage Services Inc.  
( "Complete")

DECISION OF  
The Life Insurance Council  
( "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 an errors and omissions review;

AND WHEREAS as a result of information received, Complete and the Investigator 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, Complete has agreed that the it will pay a civil penalty in the amount of THREE HUNDRED DOLLARS (\$300.00) in relation to Complete failing to meet the E&O requirements in the Act 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. Complete 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: June 18, 2018

Original signed by  
Kenneth Doll, Chair  
Life Insurance Council