

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 Paige Jassman
(the “Agent”)

DECISION
OF
The Life Insurance Council
(the “Council”)

This matter involves an alleged violation of s. 480(1)(a) of the Act. Specifically, it is alleged that the Agent submitted one (1) insurance application which the client did not agree to, contained falsified client information and was signed by another agent, pretending to be the client. As such, it is alleged that the Agent acted contrary to s. 480(1)(a) of the Act and is guilty of fraud, deceit, dishonesty, untrustworthiness, and/or misrepresentation.

Facts and Evidence

The matter proceeded to Council by way of a written Report to Council dated September 27, 2024 (the “Report”). The Report was forwarded to the Agent for review and to allow the Agent to provide the Council with any further evidence or submissions by way of Addendum. In arriving at their conclusion, the Council carefully weighed all evidence presented.

The Agent held Life and Accident and Sickness (A&S) certificates of authority from September 30, 2022, to June 1, 2023.

The AIC commenced an investigation in response to an email dated February 17, 2023 from [R.H.] [redacted] and [S.H.] [redacted] (hereinafter, collectively referred to as the “Complainants”), which stated the following:

[...]

My [spouse] [redacted], [S.H.] [redacted] (hereinafter “Client1”), works for [P.T.A.] [redacted].

That company is associated with [A.I.L.I.C.] [redacted] (hereinafter the “Insurer”); they contacted us over a year ago asking if we need insurance from them. We mentioned we already coverage [...] but that we would like to compare their policies with the current ones [...]. We had a zoom meeting with 3 representatives from [the Insurer] [redacted] in September 2022. We didn’t agree to any policy. We didn’t give any banking information. We didn’t give our SIN. We didn’t give our driver’s license numbers. [...] We let [the Insurer] [redacted] know that we would not be pursuing any coverage with them, however since then we have received numerous physical

mail showing what appears to be approved insurance policies with [the Insurer] [redacted]. Things recently are starting to get weird, and have crossed the line into fraud I'm pretty sure.

Have a look at the attached document where they've made up Social Insurance Numbers and drivers license numbers for both [Client 1] [redacted] and I, and even forged out signatures. They have our kids names on the document as well. The document looks like it is designed to fool us into signing on with them. The document has our false personal information (drivers license number, forged signatures, fake SIN etc.) We've asked them to stop sending up any more mail and remove our contact info from their mailing list. [...]

In the same email dated February 17, 2023, the Complainants provided a copy of Policy Number CD****981 [redacted] (hereinafter "Policy 981"), in the name of Client 1.

Policy 981 provided the following information:

Client	Policy Date	Policy Number	Client Information on the Policy
Client 1 [redacted]	October 17, 2022	CD****981 [redacted]	Driver's License Number: *****325 [redacted] SIN: ***-***-621 [redacted] Email Address of Client: Sko*****ss@gmail.com [redacted] Email Address on DocuSign signature: C*****23@gmail.com [redacted]

On February 23, 2024, the AIC investigator requested the following information from the Complainants:

[...]

I will investigate the matter regarding [the Insurer] [redacted] agents under my file [...]. To assist in my investigation, please provide the following documents and/ or information:

- Any/all correspondence with [the Insurer] [redacted] and their agents/affiliates; and,
- Any/all documents mailed to you by [the Insurer] [redacted] regarding this matter; and,
- Quotes provided to you; and,
- A copy of your driver's licenses; and,
- Any other documents you feel may help my understanding of the material facts.

[...]

On February 24, 2023, the Complainants provided the AIC investigator with the following information:

[...]

Thank you for helping us get this [Insurer] [redacted] situation resolved. Our end goal is: We don't want to hear from them again and we are glad you are seeing the mail they are sending up as I'm sure that something very

unusual is happening (fake SIN's, fake drivers license numbers, erroneous typos with our mailing address, phone numbers etc.)

[...]. As I've stated earlier, we did not sign up with [the Insurer] [redacted]. We just want their physical mail to stop (a request by us which has gone ignored by them) and we want to ensure our privacy is protected. Attached are the PDF's of all the physical mail we've received and our drivers licenses. That's pretty it as [sic] far as communication goes that we have received.

[...]

On April 25, 2023, the Insurer provided the following information to the AIC investigator:

[...]

Relationship between [agent] [redacted], Paige Jassman, and [internal Insurer reference] [redacted]

[Agent] [redacted] and Paige Jassman are the agents on record for the policies listed in your letter. These agents are independently contracted with [the Insurer] [redacted]. [...]

Any agent of record changes to change policies to [internal Insurer reference] [redacted]

There were no changes regarding the agent on record for these policies. Agents on record are [agent] [redacted] and Paige Jassman. [...]

[Emphasis added in original document]

On June 1, 2023, the Agent provided the AIC investigator with the following information:

[...] After receiving your email, my supervisor at the time, [C.T.] [redacted] (hereinafter the "Supervisor"), Told me to ignore them. [The Supervisor] [redacted] said [the Supervisor] [redacted] was handling and nothing was needed from me. I would not do anything intentionally to breach my contract or the ethical standards of the insurance council.

[...] As [the Supervisor] [redacted] was my manager and I was new, I trusted [the Supervisor's] [redacted] information and through it was okay. I do take all communication from the council seriously. I believed [the Supervisor] [redacted] was helping me with this inquiry.

The application for [the Complainants] [redacted] was not completed by me. I was not aware of the application being made and have never met [the Complainants] [redacted].

[The Supervisor] [redacted] signed my name on my behalf without my permission or knowledge. So, I, unfortunately, [sic] cannot provide any insight into what happened or why. This entire situation was without my knowledge.

[...]

On June 26, 2023, the Agent provided the following additional information to the AIC investigator:

[...]

[The Supervisor] [redacted] was my direct training manager, [the Supervisor] [redacted] assured me that the matter was handled. [The Supervisor's] [redacted] role was to help me with administration and processes. [The Supervisor] [redacted] assured me [the Supervisor] [redacted] would take care of it and nothing was needed from me.

Since [the Supervisor] [redacted] was my manager and figure of authority, I trusted [the Supervisor] [redacted] and assumed [the Supervisor] [redacted] addressed the questions from AIC.

This is my first job as a licensed life insurance agent, [the Supervisor] [redacted] told me [the Supervisor] [redacted] was handling this and obviously was mistaken to believe [the Supervisor] [redacted] was. I do see now that I should have responded directly to you, and that assuming my manager took care of it was a mistake.

[...]

On December 14, 2023, the AIC investigator requested the following information from the Insurer:

[...]

Further to AIC cases [...], regarding [the Complainants'] [redacted] complaint alleging false applications were submitted without their knowledge, I have some additional questions:

1. What is your standard process for the submission of applications? (please be specific)
2. How does [the Insurer] [redacted] identify which agent submits the application? If it uses identifying codes for the agents, how and when are those assigned?
3. Please provide [sic] [R.A.] [redacted] and [R.B.] [redacted] interviews/investigation file related to this matter.
4. What system does [the Insurer] [redacted] have in place to verify the electronic signatures of the applicants and the agents?
5. [...]
6. Paige Jassman:
 - a. Please provide a list of all business submitted by Paige Jassman between September 30, 2022 and June 1, 2023, when she resigned.
 - b. Please provide a list of commissions earned, any chargebacks, any payments by Paige for any debt, and current balance owing if any.
7. [...]

On February 5, 2024, the Insurer provided the AIC investigator with the following information:

1. A letter dated February 5, 2024 (hereinafter the "February 2024 Correspondence"), and
2. Interviews/investigation files from [R.A.] [redacted] and [R.B.] [redacted] related to this matter (hereinafter the "Insurer's Investigation Notes").

The February 2024 Correspondence provided the following information:

[...]

1. What is your standard process for the submission of applications? (please be specific)

[The Insurer] [redacted] agents use the company provided software to complete applications and obtain customers [sic] signature. Once an agent and the customer complete an application, the agent uses the same software installed on his or her computer to send the application to the company. When the company receives the application, the review and underwriting process begins.

2. How does [the Insurer] [redacted] identify which agent submits the application?

- a) How does [the Insurer] [redacted] identify which agent submits the application?

Each agent uses his or her unique username and password to log into the software.

[The Insurer] [redacted] identified which agent submitted the application based on their agent number and signature.

- b) If it uses Identifying codes for the agent, how and when are those assigned?

Each agent is assigned a unique code number by the Company when authorized to represent the company in the province

3. [...]

4. What system does [the Insurer] [redacted] have in place to verify the electronic signatures of the applicants and the agents?

[The Insurer's] [redacted] electronic application software has an integrated third-party signature platform to ensure the proper collection of signatures. At the application process, the agent requests an email address from the customer, to which the electronic application is emailed to the customer for review and electronic signature. A DocuSign signature certificate is also sent to the company as verification.

5. [...]

The Insurer's Investigation Notes provided the following information:

[...]

When we reviewed the letter from the Alberta Insurance Council dated April 3, 2023, regarding [the Complainants'] [redacted] applications, we contacted agents who submitted applications on behalf of [the Complainants] [redacted], [...].

[...]

Paige Jassman:

- [Policy 981] [redacted] ([Client 1] [redacted]), listed Paige Jassman as the submitting agent.
- This application was completed on 10/17/2022 and was the first application submitted under Paige Jassman.
- The email address, c*****237@gmail.com [redacted], is the personal email address of [the Supervisor] [redacted].
- On May 25, 2023, we were notified that the Alberta Insurance Council had contacted Paige. Our understanding is that the Alberta Insurance Council had requested information regarding [the Complainants'] [redacted] applications.
- Paige was unaware that the application for [Client 1] [redacted] was submitted under her name without [the Complainants'] [redacted] authorization.
- Our understanding is that Paige was not responding to the Alberta Insurance Council timely and properly.
- Paige Jassman's contract with [the Insurer] [redacted] was terminated on May 23rd. 2023.

[...]

Discussion

In order for the Council to conclude that the Agent has committed an offence pursuant to s. 480(1)(a) of the Act, the Report must provide, on the basis of clear and cogent evidence, that it is more likely than not that the Agent committed the act as alleged. The requirement of clear and cogent evidence reflects that the Council's finding can dramatically impact an insurance agent's ability to remain in the industry. Therefore, the Council carefully weighs all evidence before it prior to reaching its decision.

The applicable legal test to determine the Agent's guilt in violating s. 480(1)(a) of the Act is set out in the Court of Queens's Bench of Alberta Decision, *Roy v. Alberta (Insurance Councils Appeal Board)*, 2008 ABQB 572 (hereinafter "*Roy*"). In *Roy*, the Life Insurance Council found that an agent violated s. 480(1)(a) of the Act by attesting to completing the required continuing education hours when he did not, in fact, complete the required continuing education hours. The Insurance Councils Appeal Board also found the agent guilty on appeal. The agent advanced the decision to the Court of Queen's Bench of Alberta.

In his reasons for judgment dismissing the appeal, Mr. Justice Marceau wrote as follows at paragraphs 24 to 26:

[24] The Long case, albeit a charge under the Criminal Code of Canada where the onus of proof is beyond a reasonable doubt (not on a preponderance of evidence as in this case), correctly sets out the two step approach, namely the court or tribunal must first decide whether objectively one or more of the disjunctive elements have been proven. If so, the tribunal should then consider whether the mental element required has been proved. While the Appeal Board said it was applying the Long decision, it did not make a finding as to whether step 1 had been proved with respect to each of the disjunctive elements. Rather it immediately went into a step 2 analysis and found that the mental element required for untrustworthiness might be less than the mental element required for fraud (as a given example).

[25] I am of the view that statement was in error if it was made to convey a sliding scale of *mens rea* or intent depending on which of the constituent elements was being considered. In my view, the difference between the disjunctive elements may be found in an objective analysis of the definition of each and certainly, as demonstrated by the Long case, what constitutes fraud objectively may be somewhat different from untrustworthiness. However once the objective test has been met, one must turn to the mental element. Here to decide the mental element the Appeal Board was entitled, as it did, to find the mental element was satisfied by the recklessness of the Applicant.

[26] While the language used by the Appeal Board may be characterized as unfortunate, on this review on the motion of the Applicant I need not decide whether the Appeal Board reasonably could acquit the Applicant on four of the disjunctive elements. Rather, the only matter I must decide is whether the Appeal Board acting reasonably could conclude, as they did, that the Applicant's false answer together with his recklessness justified a finding of "untrustworthiness".

[Empasis added]

The evidence in these types of cases is based on the concept of "*clear and cogent*" evidence. In *The Matter of the Appeal of Arney Falconer*, Chairperson Hopkins dealt with this principal of clear and cogent evidence and provided as follows:

The Life Insurance Council stated in the Decision that there is a requirement "for 'clear and cogent evidence' because our findings can dramatically impact an insurance agent's ability to remain in the industry". However, the requirement for clear and cogent evidence does not mean that the evidence is to be scrutinized any differently than it should be in any other civil case. In all civil cases evidence must be sufficiently clear, convincing and cogent to satisfy the balance of probabilities. In *F.H.v. McDougall* 2008 SCC (sic); [2008] 3 S.C.R. 41 the Supreme Court of Canada states:

[45] To suggest that depending upon the seriousness, the evidence in the civil case must be scrutinized with greater care implies that in less serious cases the evidence

need not be scrutinized with such care. I think it is inappropriate to say that there are legally recognized different levels of scrutiny of the evidence depending upon the seriousness of the case. There is only one legal rule and that is that in all cases, evidence must be scrutinized with care by the trial judge.

[46] Similarly, evidence must always be sufficiently clear, convincing and cogent to satisfy the balance of probabilities test. But again, there is no objective standard to measure sufficiency. In serious cases, like the present, judges may be faced with evidence of events that are alleged to have occurred many years before, where there is little other evidence than that of the plaintiff and defendant. As difficult as the task may be, the judge must make a decision. If a responsible judge finds for the plaintiff, it must be accepted that the evidence was sufficiently clear, convincing and cogent to that judge that the plaintiff satisfied the balance of probabilities test.

[Emphasis added]

Contraventions of s. 480(1)(a) are *mens rea* offences that require proof of intent, knowledge, or recklessness on a balance of probabilities. Section 480(1)(a) of the Act reads:

If the Minister is satisfied that the holder or a former holder of a certificate of authority has been guilty of misrepresentation, fraud, deceit, untrustworthiness or dishonesty, [...] the Minister may revoke, suspend or refuse to renew or reinstate one or more of the certificates of authority held by the holder, impose terms and conditions provided for in the regulations on one or more of the certificates of authority held by the holder and impose a penalty on the holder or former holder.

The Report alleged that the Agent was guilty of fraud, deceit, dishonesty, untrustworthiness and/or misrepresentation as contemplated by s. 480(1)(a) of the Act when the Agent submitted one (1) insurance application, which the client did not agree to, contained falsified client information, and was signed by another agent, pretending to be the client.

Collectively, the Council is comprised of both industry and public members who are well-equipped to assess consumer risk and industry competence. The Council weighed the effects of the alleged actions, the evidence presented, and the accounts of all parties involved when arriving at their conclusion.

The insurance application, the February 17, 2023, email from the Complainants, the February 24, 2023 email from the Complainants, the June 1, 2023 email from the Agent and the Insurer's Investigation Notes were of significance to the Council's decision. In the Council's opinion, these materials demonstrated that the Agent acted in a dishonest, deceitful, fraudulent and untrustworthy manner as contemplated by the Act.

The Council was concerned by the information on the insurance application that was determined to be falsified, which included:

Client	Policy Date	Policy Number	Client Information on the Policy	Falsified Information
Client 1 [redacted]	October 17, 2022	CD****981 [redacted]	Driver's License Number: *****325 [redacted] SIN: ***_***-621 [redacted] Email Address of Client: Sko*****ss@gmail.com [redacted] Email Address on DocuSign signature: C*****23@gmail.com [redacted]	Driver's License: A copy of [Client 1's] [redacted] driver's license did not match the driver's license number on the application. Electronic Signature: The email address used to electronically sign the application was determined to belong to another agent.

The Council took specific issue with the explanation from the Agent in the June 1, 2023, email, which stated:

[...]
[C.T.] [redacted] signed my name on my behalf without my permission of knowledge. [...]

This explanation suggests that the Agent attributes the submission of the application to her supervisor at the time and denies any involvement. However, the Insurer's Investigation Notes contradict this claim, indicating that:

[...] *Paige was unaware that the applications for [Client 1] [redacted] was submitted under her name without [the Complainants'] [redacted] authorization [...]*
 [Emphasis added]

The Agent's June 1, 2023, email and the Insurer's Investigation Notes present conflicting narratives. On the one hand, the Agent blames her supervisor for signing her name without her permission or knowledge. On the other hand, the Insurer's Investigation Notes suggest a lack of awareness on the Agent's part but acknowledge that the application was submitted under her name. These discrepancies undermine the Agent's credibility and reflect a failure to take accountability.

Holding a certificate of authority as an insurance agent is a privilege that carries significant responsibility. Agents are to act with integrity and respond to regulatory inquiries directly, delegating this responsibility to a supervisor or any other party is not acceptable.

The Council is also deeply concerned about the Agent's potential sharing of login credentials with her supervisor. Even if the explanation provided by the Agent is true, sharing login credentials violates industry standards and undermines the integrity of the system. Login credentials are personal and non-transferable. This action reflects poor judgment and a failure to adhere to basic professional standards.

Agents are to act honestly, in good faith, and in the best interests of their clients. Consumers rely on agents to maintain the highest standards of conduct, including diligence and integrity in their work.

The Council finds that the Agent submitted an insurance application that included falsified client information and an unauthorized signature. The Agent's inconsistent explanations suggest a lack of accountability. The sharing of login credentials further demonstrates a reckless disregard for professional and legal obligations.

Taken together, these actions meet the objective and subjective elements of the legal test under s. 480(1)(a). They constitute reckless conduct amounting to fraud, deceit, dishonesty, untrustworthiness, and misrepresentation.

The *Insurance Act* and its Regulations act as a mechanism of public protection. It is the view of the Council that the Agent's deception was reckless and without any consideration of the risk they were subjecting the client and the Insurer to. Accordingly, a significant civil penalty is warranted under the circumstances.

In terms of the available sanction, the Council may impose a civil penalty for a violation of s. 480(1)(a) of the Act not exceeding \$5,000.00 per demonstrated offence against an agent, in accordance with s. 36.1(1)(a) of the *Insurance Agents and Adjusters Regulation*, AR 122/2001. Given the seriousness of the offence, the

Council ordered a civil penalty per demonstrated offence in the amount of \$5,000.00 resulting in one (1) offence, equaling \$5,000.00 be levied against the Agent.

The civil penalty must be paid within thirty (30) days of receiving this notice. If the penalty is not paid within thirty (30) days, interest will begin to accrue at the rate of 12% per annum as prescribed by s. 36.1(2) of the *Insurance Agents and Adjusters Regulation*, A.R. 122/2001.

Pursuant to s. 482 of the Act (copy enclosed), the Agent has thirty (30) days in which to appeal this decision by filing a Notice of Appeal with the Office of the Superintendent of Insurance.

This Decision was made by way of a motion 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: January 23, 2025

[Original Signed By]

Andy Freeman, Chair
Life Insurance Council

Extract from the *Insurance Act*, Chapter I-3**Appeal**

482 A decision of the Minister under this Part to refuse to issue, renew or reinstate a certificate of authority, to impose terms and conditions on a certificate of authority, to revoke or suspend a certificate of authority or to impose a penalty on the holder or former holder of a certificate of authority may be appealed in accordance with the regulations.

Extract from the *Insurance Councils Regulation*, Alberta Regulation 126/2001**Notice of appeal**

16(1) A person who is adversely affected by a decision of a council may appeal the decision by submitting a notice of appeal to the Superintendent within 30 days after the council has mailed the written notice of the decision to the person.

(2) The notice of appeal must contain the following:

- a) a copy of the written notice of the decision being appealed;
- b) a description of the relief requested by the appellant;
- c) the signature of the appellant or the appellant's lawyer;
- d) an address for service in Alberta for the appellant;
- e) an appeal fee of \$200 payable to the Provincial Treasurer.

(3) The Superintendent must notify the Minister and provide a copy of the notice of appeal to the council whose decision is being appealed when a notice of appeal has been submitted.

(4) If the appeal involves a suspension or revocation of a certificate of authority or a levy of a penalty, the council's decision is suspended until after the disposition of the appeal by a panel of the Appeal Board.

Contact Information and Useful Links for Appeal:

Email: tbf.insurance@gov.ab.ca

Phone: 780-643-2237

Fax: 780-420-0752

Toll-free in Alberta: Dial 310-0000, then the number

Mailing Address: 402 Terrace Building, 9515 – 107 Street Edmonton, AB T5K 2C3

Link: [Bulletins, notices, enforcement activities | Alberta.ca](#) – *Interpretation Bulletin 02-2021 – Submitting Notices of Appeal of Insurance Council Decisions*