

In the Matter of the

**FINANCIAL INSTITUTIONS ACT, RSBC 1996, c.141**  
(the “Act”)

and the

**INSURANCE COUNCIL OF BRITISH COLUMBIA**  
 (“Council”)

and

**THE ASCENSION GROUP BENEFIT CONSULTANTS INC.**  
(the “Agency”)

And

**VINCENT GRANT OLFERT**  
(the “Former Nominee”)

## **ORDER**

As Council made an intended decision on April 30, 2024, pursuant to sections 231, 236, and 241.1 of the Act; and

As Council, in accordance with section 237 of the Act, provided the Agency and the Former Nominee with written reasons and notice of the intended decision dated June 17, 2024; and


As the Agency and the Former Nominee have not requested a hearing of Council’s intended decision within the time period provided by the Act;

Under authority of sections 231, 236, and 241.1 of the Act, Council orders that:

1. The Agency is fined \$10,000, to be paid by October 21, 2024;
2. The Former Nominee is fined \$2,000, to be paid by October 21, 2024;
3. The Agency and Former Nominee are jointly and severally assessed Council’s investigation costs of \$500, to be paid by October 21, 2024;

4. A condition is imposed on the Agency's life and accident and sickness insurance licence that failure to pay the fine and investigation costs by October 21, 2024, will result in the automatic suspension of that licence, and the Agency will not be permitted to complete its 2026 annual licence renewal until such time as the Agency has complied with the conditions listed herein; and
5. A condition is imposed on the Former Nominee's life and accident and sickness insurance agent licence that failure to pay the fine and investigation costs by October 21, 2024 will result in the automatic suspension of that licence, and the Former Nominee will not be permitted to complete their 2026 annual licence renewal until such time as the Former Nominee has complied with the conditions listed herein.

This order takes effect on the **23<sup>rd</sup> day of July, 2024.**



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Janet Sinclair, Executive Director  
Insurance Council of British Columbia

## **INTENDED DECISION**

of the

### **INSURANCE COUNCIL OF BRITISH COLUMBIA**

(“Council”)

respecting

### **THE ASCENSION GROUP BENEFITS CONSULTANTS INC.**

(the “Agency”)

and

### **VINCENT GRANT OLFERT**

(the “Nominee”)

1. Pursuant to section 232 of the *Financial Institutions Act* (the “Act”), Council conducted an investigation to determine whether the Nominee and Agency had acted in compliance with the requirements of the Act, Council Rules, and Code of Conduct.
2. An investigation report prepared by Council staff (the “Investigation Report”) indicated the Agency failed to maintain required errors and omissions insurance (“E&O”) between May 1, 2016, and February 11, 2023, a period of approximately 6 years and 9 months.
3. On February 13, 2024, as part of Council’s investigation, a Review Committee (the “Committee”) comprised of Council members met with the Nominee via video conference to discuss the investigation report and to allow the Nominee an opportunity to provide additional information and make further submissions to the Committee. The Investigation Report was distributed to the Committee and the Nominee prior to the meeting.
4. Having reviewed the investigation materials, the Committee prepared a report for Council. The Committee’s report, along with the Investigation Report, were reviewed by Council at its April 30, 2024 meeting, where it was determined the matter should be disposed of in the manner set out below.

## **PROCESS**

5. Pursuant to section 237 of the Act, Council must provide written notice to the Nominee and Agency of the action it intends to take under sections 231, 236 and 241.1 of the Act

before taking any such action. The Nominee and Agency may then accept Council's decision or request a formal hearing. This intended decision operates as written notice of the action Council intends to take against the Nominee and Agency.

## **FACTS**

6. The Agency has held a corporate life and accident and sickness insurance ("Life Agent") licence with Council since August 19, 2015. The Nominee has held a Life Agent licence with Council since February 26, 2004. The Nominee is also a nominee for another agency (the "Other Agency"), which has held a corporate Life Agent licence with Council since July 31, 2007.
7. Council staff initiated an audit concerning the Agency's E&O requirements on February 8, 2023. The Nominee advised that because of the audit, he had become aware the Agency had not held E&O coverage since 2016, and that the Agency had since obtained E&O coverage effective February 11, 2023.
8. The Nominee advised Council staff that the Agency allowed the Other Agency to handle all insurance business in respect of the Agency's clients and did not itself conduct insurance business.
9. The Nominee further advised that the Agency initially had three partners, one of whom was responsible for maintaining E&O coverage. However, that individual left the Agency and partnership in 2017, and the Nominee neglected to renew the Agency's E&O.
10. The Nominee provided Council staff with E&O policies for the Other Agency, demonstrating that it had maintained required E&O.

## **ANALYSIS**

11. Council determined that the Agency had failed to maintain E&O as required, between May 1, 2016, and February 11, 2023, a period of approximately 6 years and 9 months, in breach of Council Rules 7(8), which requires licensees to comply with the Code of Conduct, and 7(11), which requires licensees to carry E&O, as well as Code of Conduct section 13 ("Compliance with Governing Legislation and Council Rules"). Further, as the Agency's nominee, the Nominee was responsible for the Agency's breach, pursuant to Council Rule 7(6), which states that nominees are responsible to Council for all activities of their insurance agency, and Code of Conduct section 5 ("Competence").

12. Prior to making its determination, Council took several of its past decisions regarding E&O lapses into consideration as precedents. The following precedent summaries represent some of the most instructive of those past decisions.
13. [\*Everything Financial Consultants & Peter Joseph Cishecki\*](#) (February 5, 2019): concerned a nominee and agency who breached Council Rule 7(11) by failing to ensure the agency had E&O. After receiving an intended decision, the agency and nominee requested a hearing. Following the hearing, Council made the following orders: a condition was placed on the agency and nominee's Life Agent licences requiring the nominee to complete the Council Rules Course; the nominee was fined \$5,000; the agency was fined \$10,000; and the agency and nominee were jointly and severally liable to pay Council's hearing costs.
14. [\*Maria Rhodora Banada Thomas\*](#) (October 26, 2018): concerning a Life Agent licensee whose E&O coverage lapsed. The licensee advised Council that the lapse was due to inadvertence and that she had not conducted insurance business during the lapse period. Despite finding the breach of Council Rule 7(11) was unintentional, Council imposed a \$1,000 fine. This decision stands for the proposition that Council will apply a minimum fine of \$1,000 for breaches of Council Rule 7(11), regardless of the reasons for that breach.
15. Council recognized, having reviewed the precedents, that the approach Council has adopted for disciplining licensees who have breached Council Rules pertaining to E&O requirements is to assess a "baseline" fine of \$1,000 for each breach, as well as require the licensee to complete the Council Rules Course. In some cases, mitigating factors are identified that support a lowering of the fine.
16. Council identified several mitigating factors. Council found the Agency's failure to maintain E&O was not intentional and had been an oversight on the Nominee's part. Additionally, Council noted the Nominee's willingness to take responsibility and to ensure that E&O was put in place quickly after discovering the breach, all of which it considered mitigating.
17. Council also identified several aggravating factors. Council noted the Agency had failed to maintain E&O coverage for a significant period of time – over six years. Additionally, the Nominee's experience in the industry suggested to Council that he should have been well aware of the need for the Agency to have E&O in place, and to recognize the areas of responsibility within the Agency that must be addressed even after the departure of a responsible person.

18. Council considered the mitigating factors to slightly outweigh the aggravating factors; however, the circumstances did not warrant departure from the baseline penalties established by precedent.

### **CONCLUSIONS**

19. Council considered a fine of \$10,000 assessed against the Agency to be appropriate, noting that higher penalties are typically assessed against agencies when compared to those assessed against individual licensees.

20. Additionally, Council considered a fine of \$2,000 assessed against the Nominee to be appropriate, given the Rules and Code of Conduct each specify the Nominee is personally responsible for the Agency's conduct.

21. With respect to investigation costs, Council believes that these costs should be assessed to the Agency and Nominee jointly and severally. As a self-funded regulatory body, Council looks to licensees who have engaged in misconduct to bear the costs of their discipline proceedings, so that those costs are not otherwise borne by British Columbia's licensees in general. Council did not identify any reason for not applying this principle in the circumstances.

### **INTENDED DECISION**

22. Pursuant to sections 231, 236, and 241.1 of the Act, Council made the following intended decision:

- a) That the Agency be fined \$10,000, to be paid within 90 days of Council's Order;
- b) That the Nominee be fined \$2,000, to be paid within 90 days of Council's Order;
- c) That the Agency and Nominee be jointly and severally assessed Council's investigation costs of \$500, to be paid within 90 days of Council's Order;
- d) That a condition be imposed on the Agency's life and accident and sickness insurance licence that failure to pay the fine and investigation costs within 90 days will result in the automatic suspension of that licence, and the Agency will not be permitted to complete its 2026 annual licence renewal until such time as the Agency has complied with the conditions listed herein; and

- e) That a condition be imposed on the Nominee's life and accident and sickness insurance licence that failure to pay the fine and investigation costs within 90 days will result in the automatic suspension of that licence, and the Nominee will not be permitted to complete their 2026 annual licence renewal until such time as the Nominee has complied with the conditions listed herein.
23. Subject to the Nominee and Agency's right to request a hearing before Council pursuant to section 237 of the Act, the intended decision will take effect after the expiry of the hearing period.

#### **ADDITIONAL INFORMATION REGARDING FINES/COSTS**

24. Council may take action or seek legal remedies against the Nominee and/or the Agency to collect outstanding fines and/or costs, should these not be paid by the 90-day deadline.

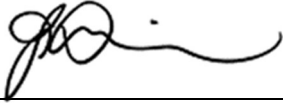
#### **RIGHT TO A HEARING**

25. If the Nominee and/or Agency wishes to dispute Council's findings or its intended decision, the Nominee and/or Agency may have legal representation and present a case in a hearing before Council. Pursuant to section 237(3) of the Act, to require Council to hold a hearing, the Nominee and/or Agency **must give notice to Council by delivering to its office written notice of this intention within fourteen (14) days of receiving this intended decision.** A hearing will then be scheduled for a date within a reasonable period of time from receipt of the notice. Please direct written notice to the attention of the Executive Director. **If the Nominee and/or Agency does not request a hearing within 14 days of receiving this intended decision, the intended decision of Council will take effect.**
26. Even if this decision is accepted by the Nominee and/or Agency, pursuant to section 242(3) of the Act, the British Columbia Financial Services Authority ("BCFSA") still has a right of appeal to the Financial Services Tribunal ("FST"). The BCFSA has thirty (30) days to file a Notice of Appeal once Council's decision takes effect. For more information respecting appeals to the FST, please visit their website at <https://www.bcfst.ca/> or visit the guide to appeals published on their website at <https://www.bcfst.ca/app/uploads/sites/832/2021/06/guidelines.pdf>.

Dated in Vancouver, British Columbia on the **17<sup>th</sup> day of June 2024.**

Intended Decision  
The Ascension Group Benefit Consultants Inc. and Vincent Grant Olfert  
LIC-189087C135543R4, LIC-159354C121432R1, COM-2023-00133  
June 17, 2024  
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For the Insurance Council of British Columbia

A handwritten signature in black ink, appearing to read 'Janet Sinclair', written over a horizontal line.

Janet Sinclair  
Executive Director