

An order that is made regarding a licence holder reflects a situation at a particular point in time. The status of a licence holder can change. Readers should check the current status of a person's or entity's licence on the [Licensing Link](#) section of FSCO's website. Readers may also wish to contact the person or entity directly to get additional information or clarification about the events that resulted in the order.

Superintendent of Financial Services

Regarding the *Insurance Act*, R.S.O. 1990, c.1.8, as amended (the “Act”), in particular, sections 31(1) (c) 393(9) – 393(11), 443(1) & (2) and 447(2) (b), and Ontario Regulation 347/04 (the “Regulation”), in particular, section 13

AND REGARDING Raymond George Ash

DECISION and ORDER

Introduction:

A Notice of Opportunity for Hearing dated March 7, 2011 (the Notice) informed Mr. Ash of allegations against him and the opportunity for a hearing before an Advisory Board. The Notice advised Mr. Ash that if a hearing was not requested, the Superintendent would make a decision based on information in the possession of the Financial Services Commission of Ontario (the Commission). Mr. Ash was also advised that such decision could include suspension or revocation of his licence as a life insurance agent.

I have received an affidavit from [REDACTED] licensing registration specialist at the Commission that the Notice was served by registered mail. I am satisfied that the Notice was properly served in accordance with the provisions of the Insurance Act. No request for a hearing was received.

A copy of the allegations is attached to this Decision.

The Evidence:

Since Mr. Ash has not requested a hearing, the evidence of Commission staff in the particulars attached to the Notice is uncontroverted.

The evidence can be summarized as follows. The Commission received notification from Mr. Ash’s insurance company that Mr. Ash’s errors and omissions insurance policy was cancelled. The Commission made several attempts to contact him by mail, email, registered mail and by telephone. Mr. Ash sent an email message admitting that he did not have the errors and omissions insurance, but ultimately did not provide evidence that he had obtained errors and omissions insurance.

Findings of Fact

I find the allegation that Mr. Ash has failed to maintain errors and omissions insurance to be established. The reasons for this finding are the notification of cancellation of the policy by Mr. Ash's insurance company and Mr. Ash's admission of that fact.

I find the allegation that Mr. Ash has failed to facilitate an investigation to be established. The reasons are Mr. Ash's failure to provide evidence of such insurance in response to requests for such evidence.

I find the allegation that Mr. Ash is unsuitable to hold a licence as an insurance agent to be established by virtue of his failure to maintain errors and omissions insurance and his failure to facilitate an examination.

The affidavit from [REDACTED] stated that Mr. Ash sent an email message stating that the cancellation of his errors and omissions insurance coverage was as a result of an error by the insurance company with which he did business. However, Mr. Ash did not provide evidence that any such error was corrected nor did he request a hearing so that an Advisory Board could question his explanation that an error had occurred.

Decision:

I have found that Mr. Ash is unsuitable to hold a licence as a life insurance agent.

Findings of unsuitability frequently result in revocation of the licence of an insurance agent.

Errors and omissions insurance is necessary to protect consumers from negligence by insurance agents. Insurance agents without errors and omissions insurance may not have sufficient assets to indemnify policy holders or applicants for insurance from such losses. Accordingly insurance agents that do not have errors and omissions insurance cannot be allowed to be engaged in the business of insurance.

In this case, Mr. Ash would not respond to the Commission on this matter. Insurance agents must be governable and amenable to being regulated. The Insurance Act imposes a duty on licensed persons to facilitate an examination. Responding to information requests is an attribute of a person suitable to be an insurance agent.

Mr. Ash has not requested a hearing. While he did offer an explanation for his behaviour by email, there was no opportunity for an Advisory Board to question him on his explanation. Mr. Ash has not demonstrated interest in maintaining his licence as an insurance agent.

Accordingly considering the lack of suitability as demonstrated by the failure to facilitate an examination, and the absence of the necessary insurance to protect the public, I believe that the appropriate penalty is revocation of Mr. Ash's licence as an insurance agent.

ORDER

Accordingly, the life insurance agent licence of Raymond George Ash is hereby revoked by this order.

Dated at Toronto, this thirtieth day of April, 2011

Grant Swanson
Executive Director, Licensing and Market Conduct
by delegated Authority from
Superintendent of Financial Services