

Consensual Agreement and Undertaking

Between

**The Complaints and Investigation Committee
of
The Life Insurance Council of Saskatchewan
(the Committee)
and**

RMS Retirement Management Services Ltd.

**Kenneth Gordon Sargeant
(Designated Representative)**

The Committee is authorized under Bylaw 7, Section 5, subsection 3, subparagraph (b), to enter into consensual resolutions of complaints.

Bylaw 5, Section 1, subsection 1 reads: "The administrator shall, in addition to the requirements for the contents of a register required by the Act and the regulations, record on the register the existence and results of all disciplinary decisions or orders, court orders, alternative dispute resolution agreements, undertakings and mediation agreements involving a licensee or a person to whom the Life Insurance Council of Saskatchewan (Council) has the authority to issue a licence." Disciplinary actions as described are reported on the Insurance Councils of Saskatchewan website and the Canadian Insurance Regulators Disciplinary Actions (CIRDA) database.

RMS Retirement Management Services Ltd. (RMS) acknowledges and agrees that:

1. It violated Council Bylaws when:
 - A. Contrary to Bylaw 8, Section 2 (g) a licensee may be guilty of misconduct if the licensee: violates any provision of the Act, the regulations or the bylaws;
 - i. When contrary to Schedule A, Part II, Section 6, subsection (1) it failed to maintain a valid policy of errors and omissions insurance;
 - a) When on September 26, 2015 it allowed its errors and omissions ("E&O") insurance to lapse while the licence remained active,
 - b) E&O was not re-established until December 9, 2015.

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- c) RMS was without E&O coverage for 74 days; and
 - ii. When contrary to Bylaw 2, Section 1, subsection (4) (d) it failed to immediately notify Council of cancellation or non-renewal of its errors and omissions insurance.
2. Its rights to appear before a Discipline Committee of Council have been explained to it and it fully understands it's rights and/or obligations under Council Bylaw 10;
3. It waives its rights to appear before a Discipline Committee and undertakes not to exercise any appeal rights it may have under Council Bylaw 10, Section 3 or *The Saskatchewan Insurance Act*, (the Act) as it relates to matters set out in this Consensual Agreement and Undertaking (Agreement).
4. This Agreement does not preclude Council from pursuing any other investigation against RMS for activities not identified in this Agreement that may be in violation of Council Bylaws or the Act.
5. RMS has been advised by the Committee that it is in its interests to obtain independent legal advice before entering into this Agreement.
 - a. RMS has obtained such independent legal advice and is satisfied with the same, prior to executing this Agreement, or
 - b. RMS has willingly chosen not to obtain such advice prior to executing this Agreement.
6. RMS hereby affirms that it has read and understood the terms of this Agreement, and is signing it voluntarily and of its own free will.

RMS having waived its rights, undertakes to:

1. Pay a fine in the amount of \$603.00; and
2. Reimburse Council's investigation costs in the amount of \$440.00.
3. RMS will pay all fines and investigative costs within 30 days of receipt of this Agreement.
4. RMS will ensure E&O insurance is in place while RMS continues to hold an insurance licence.

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The Committee's Agreement:

1. The Committee agrees to accept from RMS the payment of \$1,043.00 as full and final resolution of this violation of Council's Bylaws as outlined in this Agreement; and
2. The Committee further agrees to take no further action against RMS for the acknowledged violations of Council's Bylaws that are set out in this Agreement.

Dated at Sidney, in the Province of British Columbia, this 24th day of August, 2016..

Originally Signed by

Kenneth Gordon Sargeant for RMS Retirement Management Services Ltd.

Dated at Saskatoon, in the Province of Saskatchewan, this 29th day of August, 2016.

Originally Signed by

**Roderick Baxter, Chair, Complaints and Investigation Committee
Life Insurance Council of Saskatchewan**