

Consensual Agreement and Undertaking

Between

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

Tangerine Bank

**Mauricio Mejia
(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.

Tangerine Bank ("Tangerine Bank") acknowledges and agrees that:

1. It violated Council Bylaws when:
 - A. Contrary to Bylaw 8, Section 1 (a) it:
 - Acted contrary to the best interests of the consumer or licencees or insurance companies by allowing an unlicensed salesperson to transact in insurance.
 - B. Contrary to Bylaw 8, section 2 (g) it violated provisions of the Act, the regulations or the bylaws when it:

Consensual Agreement and Undertaking

Tangerine Bank

- i. Acted contrary to Section 416 of *The Saskatchewan Insurance Act* ("The Act") when it acted as an insurance agent while it was not the holder of a subsisting licence under the Act as an agent or as a salesman of a licenced agent.
 - ii. Acted contrary to Section 418 of the Act, when it appointed, permitted or authorized any person to do any of the things in respect of which a licence is required unless the person is the holder of a subsisting licence.
 - iii. As per Bylaw 2, Section 1, subsection (4)(c)(ii) it failed to notify Council within 30 days of the commencement of any professional, occupational or regulatory body proceedings involving the licensee.
- C. Contrary to Bylaw 8, Section 2 (q) it:
- Failed to follow sound business practices.
- D. Contrary to Bylaw 8, Section 2 (r) the designated representative of Tangerine Bank:
- Failed to exercise reasonable and prudent oversight when acting in a supervisory capacity.
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 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 Tangerine Bank for activities not identified in this Agreement that may be in violation of Council Bylaws or the Act.
 5. Tangerine Bank has been advised by the Committee that it is in its interests to obtain independent legal advice before entering into this Agreement. It has either:
 - A. Obtained such independent legal advice and is satisfied with the same, prior to executing this Agreement, or
 - B. Willingly chosen not to obtain such advice prior to executing this Agreement.
 6. Tangerine Bank hereby affirms that it has read and understood the terms of this Agreement, and is signing it voluntarily and of its own free will.

Tangerine Bank having waived its rights, undertakes to:

1. Pay a fine in the amount of \$1,250.00
2. Reimburse Council's investigation costs in the amount of \$1,100.00.
3. Pay all fines and investigative costs within 30 days of receipt of this Agreement.

The Committee's Agreement:

1. The Committee agrees to accept from Tangerine Bank the payment of \$2,350.00 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 Tangerine Bank for the acknowledged violations of Council's Bylaws as set out in this Agreement.

Dated at Toronto, in the Province of Ontario, this 27th day of June, 2017.

Originally Signed by

Mauricio Mejia for Tangerine Bank

Dated at Saskatoon, in the Province of Saskatchewan, this 10th day of July, 2017.

Originally Signed by

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