

CONSENSUAL AGREEMENT AND UNDERSTAKING

(Agreement)

Between

THE GENERAL INSURANCE COUNCIL OF SASKATCHEWAN

(Council)

And

SIGNATURE RISK PARTNERS INC.

(the Licensee)

The Managing General Agency through its designated representative, James (Jim) Grant (DR) acknowledges and agrees that he received Notice regarding a proposed action, pursuant to Section 10-11 of *The Insurance Act* (the Act), and the reasons therefor, from Council, dated December 22, 2025.

The Licensee acknowledges and accepts responsibility for misconduct, and agrees that their actions were in violation of the Act, The Insurance Regulations, and Council Bylaws as follows:

a. Breached the Act 5-4 Insurance agent's licence required

(1) No business shall act or offer to act as an insurance agent with respect to a class of insurance unless the business holds a valid insurance agent's licence for that class of insurance.

(2) No individual shall act or offer to act as an insurance agent with respect to a class of insurance unless the individual:

(a) is an employee or independent contractor of a business or partner of a partnership that holds a valid insurance agent's licence for that class of insurance and the individual holds a valid insurance agent's licence for that class of insurance;

(b) is an employee of a business that holds a valid restricted insurance agent's licence for that class of insurance;

(c) is an employee or independent contractor of a managing general agent that holds a valid licence for that class of insurance and the individual holds a valid insurance agent's licence for that class of insurance; or



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(d) is an employee or independent contractor or partner of a partnership of a prescribed entity.

b. Breached the Act 5-6 Managing general agents licence required

No business or insurer shall act or offer to act as a managing general agent with respect to a class of insurance unless the business or insurer holds a valid managing general agent's licence for that class of insurance.

c. Breached the Act 5-9 Prohibition respecting holding out

No person shall hold himself, herself or itself out as an insurance intermediary unless the person holds a valid insurance intermediary's licence.

d. Breached the Act 5-14(1) Issue of licence

(1) Subject to subsection (2), the Superintendent may: issue an insurance intermediary's licence if, in the Superintendent's opinion, the applicant:

is suitable to be licensed and the proposed licensing is not for any reason objectionable; and has met all the requirements of this Act and the regulations; or subject to section 10-11, refuse to issue a licence to the applicant if, after any investigation the Superintendent considers reasonable, the Superintendent is of the opinion that the applicant should not be issued a licence.

The Superintendent may refuse to issue a licence without complying with section 10-11: if the applicant has not paid in full any fees or costs associated with a hearing or investigation into the conduct of the applicant; if the applicant has not paid in full any fees, fines, penalties or costs imposed or assessed pursuant to this Act or the regulations; or

...

(c) in the prescribed circumstances.

e. Breached Bylaw 4-1 Professional misconduct

(1) For the purposes of the Act, the regulations and these bylaws, professional misconduct is a question of fact but includes any matter, conduct or thing, whether or not disgraceful or dishonorable that:

...

(c) is a breach of the Act, the regulations or these bylaws.

(2) Without limiting the generality of subsection 4-1(1), a licensee may be guilty of misconduct if the licensee:

...

(s) is a Designated Representative and fails to carry out his or her responsibilities as outlined in the Act, the regulations, or these bylaws, including Schedule B – Operating Principles for the Designated Representative.



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WHEREAS Signature Risk Partners Inc. (Signature) under licence number 07891 and James (Jim) Grant, Designated Representative (DR) under licence number 070866, held P&C licenses from November 17, 2017, to January 31, 2022, recommended by intact Insurance Company (intact).

WHEREAS on November 3, 2021, the Licensing Department of ICS (Licensing) sent a letter to the DR for Signature to advise that their Consumer Protection Bond No. TW5207541/904158444 issued by intact would be cancelled effective January 30, 2022. The letter requested an original copy of a replacement bond be provided to ICS prior to the cancellation of the previous bond. The letter stated that failure to do so would result in suspension of the licenses issued both Signature and the DR.

WHEREAS Between November 3, 2021, and February 24, 2022, correspondence passed between Licensing and Signature indicating the requirements for provision of an original copy of a Consumer Protection Bond for Signature in order to remain licensed.

WHEREAS on January 31, 2022, the licences issued both to Signature and the DR were suspended due to a lapsed bond.

WHEREAS on July 11, 2025, ICS received an inquiry on the licensing status of Signature. This led to an investigation as to whether Signature had been operation as an MGA without being licensed.

WHEREAS on July 12, 2025, the DR on behalf of Signature started an Online Application (Application) for an MGA P&C licence.

WHEREAS on July 17, 2025, Compliance sent a letter to the DR to advise that the licences for Signature, and subsequently the DR, had been suspended on January 31, 2022, due to a lapsed bond. The letter indicates that ICS has reason to believe that Signature and the DR had been acting without a licence, which is a violation of the legislation and requested information regarding the alleged unlicensed activity.

WHEREAS on July 21, 2025, the DR responded and stated that it first came to their attention that the licence in Saskatchewan was no longer in force from another source. He said he was unsure how the bond was permitted to lapse, and the licence be suspended without it coming to his attention. The DR indicated they were looking into the matter and would put systems in place to ensure a similar incident does not happen in the future.

The DR said as soon as Signature became aware that their licence had expired, business was halted, and they arranged to have the bond for Signature reinstated. Further, he advised that Signature was notifying Saskatchewan-based brokers who approach them about new business or renewals, that they cannot transact in business until their licence is reinstated.



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Further, the DR pointed out that activities relating to the insurance business in Saskatchewan is limited to acting as an MGA for a small number of insurance brokers who are based in Saskatchewan and place business with insurance carriers through them. The DR is the only employee with a licence in Saskatchewan and not of their employees act as insurance agents or brokers. They also do not actively solicit insurance products with the public and their insurance activities are limited to dealings between insurance brokers and carriers.

WHEREAS on July 25, 2025, Compliance responded to the DR with additional questions including when and how Signature became aware they were not licensed, the date they suspended activities, and requested additional details on how business is conducted with insurance brokers and carriers in Saskatchewan as an MGA.

Compliance also asked how Signature was not aware of how the bond was permitted to lapse and licence suspended when ICS licensing records indicate numerous emails sent to the DR outlining the requirements of an original copy of a valid bond and fully completed applications.

WHEREAS on July 30, 2025, the DR emailed and stated they learned that the licence had lapsed when trying to collect a payment for risk by one of their Saskatchewan brokers. The broker refused to pay the invoice on the basis that Signature was not licensed. Signature included the brokers email and their response which stated "I am writing to inform you that we have just learned that our MGA license in Saskatchewan inadvertently lapsed. In accordance with the guidelines set out by the Saskatchewan regulator, we must temporarily suspend all activities until our license is reinstated."

WHEREAS On September 23, 2025, Compliance advised the DR that a satisfactory response to the email of July 25, 2025, was not received and attached copies of the all emails referenced between Licensing and the DR. Also attached was a copy of the licence suspension letter dated February 1, 2022. It was suggested to the DR that his statement that Signature only learned of suspension of their licence in July 2025 contradicted the information sent by Licensing. Further, the email exchange provided between Signature and the Saskatchewan broker on July 21, 2025, confirms that Signature and the DR were engaged in insurance activity during a period when unlicensed, which is a violation of the Act.

WHEREAS On October 2, 2025, the DR replied by email stating they accept full responsibility for not ensuring their licence remained in good standing and expressed regret that this obligation was not met. The DR further acknowledged receipt of the copies of correspondence previously sent to him by Licensing. He acknowledged that the necessary steps to to renew were not completed and the licenses were permitted to lapse and remained inactive.

The DR clarified his statement of only becoming aware of the lapsed status of the licence in July 2025, stating "To clarify, I had previously been aware in 2022 but, regrettably, allowed the matter to slip from focus until it came back to my attention this year."



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The DR outlined the following steps being implemented by Signature to prevent any reoccurrence including:

- Establishing formal compliance reminders and calendar alerts tied to all licensing renewal deadlines.
- Engaging administrative support to monitor regulatory correspondence and ensure immediate follow-up on all renewal matters; and
- Committing to direct and timely communication with regulators to clarify any issues well in advance of renewal deadlines.

As requested, a complete list of all policies issued in Saskatchewan through Signature during the period of February 1, 2022, to July 17, 2025, was provided. The DR indicated that policies are issued for a one-year term and most policies on the list expired and renewed within this time. He confirmed that Signature had not processed any quotes for new or renewal business since July 17, 2025, and that no business will be undertaken until the licence might be reinstated.

WHEREAS On October 9, 2025, Compliance expressed concern after review of the number of policies issued and the risk to consumers/insureds after the January 31, 2022 when the licence for the DR and Signature were suspended. The DR acknowledged the seriousness of concern over the number of policies issued, pointing out that a substantial portion represent annual renewals rather than new business. The DR also stated that the policyholders are represented by licensed local brokers and that Signature did not have direct dealings with Saskatchewan residents.

WHEREAS On October 15, 2025, the DR responded to additional inquiries from Compliance and provided a new policy listing, explaining details of issue dates and including commissions received, confirming compensation during a period while unlicensed. The DR further confirmed that a general communication had not been issued on unlicensed status, but rather, brokers were advised by email as they contacted Signature for renewals while they remain focused on working with ICS to resolve their licensing status.

WHEREAS On November 5, 2025, Compliance contacted the DR after being made aware that a Saskatchewan broker had received a renewal notice from Signature which contained a link for renewal documents. The email clearly highlighted the authority of ICS in its responsibility to assess the suitability of applicants to ensure their conduct does not harm the integrity of the insurance industry or put the public at risk, stating again, that the allegations of unlicensed activity are taken seriously. Specific questions were posed to the DR, and after several incomplete responses, the DR provided an explanation on November 12, 2025. He confirmed that four Saskatchewan brokers received the automatic renewal emails prior to being suppressed, that any contact from Saskatchewan brokers had been referred to Arch, and that the financial



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arrangements are between Arch and the Saskatchewan broker and they do not receive compensation on the initial sale or renewal of these policies.

AND WHEREAS On December 2, 2025, the DR confirmed that they did receive commissions for business written during the period Signature was unlicensed as per the policy listing provided on October 15, 2025.

Penalty Analysis

Pursuant to section 5-39(2)(c) of *The Insurance Act*, a penalty may be imposed if a licensee contravenes any provision of the Act or the Regulations. Pursuant to section 5-15(2) of the Regulations, when imposing a penalty under section 5-39(2)(c), in the case of:

- an individual, the penalty may not exceed \$25,000; and
- a body corporate, the penalty may not exceed \$50,000.
- In determining an appropriate penalty in matters of professional regulation, the following overarching factors are typically considered: the need to promote specific and general deterrence and thereby protect the public;
- the need to maintain the public's confidence in the integrity of the profession's ability to properly supervise the conduct of its licensees; and
- ensuring that the penalty imposed is consistent and not disparate when compared with penalties imposed in similar cases.

In addition, several factors specific to the misconduct are relevant in assessing the appropriate penalty, including but not limited to:

- the nature and gravity of the offence, including any actual or potential harm to the public;
- whether the misconduct represents a first offence;
- the number of times the offence was proven to have occurred;
- the level of cooperation demonstrated by the licensee during the investigation; and
- whether the licensee has taken positive and meaningful steps to address and remediate the misconduct.

This is the first instance of unlicensed activity by Signature and they were cooperative with investigators once they were reminded of their unlicensed status. Although significant concern exists given the unlicensed activity elapsed over an extended period of time, Signature has indicated that Saskatchewan brokers who engaged with clients directly and initiated insurance and renewals prior to submitting to Signature are licensed individuals. The insurance coverage provided by the insurer(s) who held the risk was not jeopardized during the unlicensed period when Signature ought not to have been engaging in insurance activities. The DR has taken steps



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to direct all brokers and consumers to the insurer(s) directly and taken accountability by acknowledging the violations and steps being undertaken to ensure that the DR will carry out his responsibilities as outlined in the Act, the regulations, or these bylaws.

A review of ICS Consensual Agreements and Undertakings involving unlicensed activity over the past decade reflects a penalty range of approximately \$500 to \$7,100. However, two recent decisions from outside Saskatchewan are also of particular assistance in determining penalty by providing a fuller analysis of the factors to consider:

- [Kenneth William Armstrong & Sussex Insurance Agency Incorporated](#), Insurance Council of British Columbia (2024-04-11):
 - 67 insurance transactions completed by six unlicensed agents between November 18, 2012, to November 1, 2022.
 - Fines imposed:
 - Nominee: \$5,000
 - Agency: \$20,000
 - Council gave consideration to relevant mitigating and aggravating factors in this matter. The primary mitigating factor was that the Nominee acknowledged the misconduct and that these actions were unintentional. Council believed that the Agency was trying to help service the clients' insurance needs without realizing the transactions were beyond their authority. Additionally, the Committee considered the Agency's and Nominee's cooperation throughout the investigation as a mitigating factor. However, Council considered the fact that the transactions in question took place over a span of at least 10 years to be an aggravating factor as these actions took place over some time as opposed to an isolated event. Council noted that although there was no proof of actual harm to the clients involved in these transactions, there was a potential risk of harm to the clients. This is because the policies issued went beyond the insurers' authority and could have been considered invalid by the insurers. This in Council's view was an aggravating factor.
- [Shiny Sood](#), Alberta Insurance Council (2025-05-02)
 - 67 sold by unlicensed agent from July 1, 2022, to July 1, 2024.
 - Given the evidence provided, the Agent's cooperation throughout the investigation and no clients being impacted, the Council orders that a civil penalty in the amount of \$75.00, per demonstrated offence, resulting in sixty-seven (67) offences, equaling a total civil penalty of \$5,025.00 be levied against the Agent.



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Based on the extent of the unlicensed activity and the factors outlined above, the misconduct in this matter is not so egregious as to warrant the maximum possible penalty. The length of unlicensed activity and the mitigating factors in this matter are most similar to the Sood decision.

Accordingly, a per-instance approach is appropriate. The proposed penalty is \$75.00 per instance of unlicensed activity. Based on 137 policies written during the period in question, this results in a total proposed penalty of \$10,275.

James (Jim) Grant as the DR of Signature Risk Partners Inc. acknowledges and agrees that:

- a. His right to make a written submission to, or appear before the Committee at an oral hearing, as to why this action should not be taken, has been explained to him and that he fully understands her rights and/or obligations.
- b. He waives his right to make a written submission to the Committee or to appear before the Committee at an oral hearing and chooses to resolve this matter by way of this Agreement and accordingly waives any right of appeal with respect to this action.
- c. This Agreement does not preclude Council from pursuing any other investigation and/or sanctions against her for activities not identified in this Agreement that may be in violation of the Act, *The Insurance Regulations* ("the regulations") or Council Bylaws.
- d. He has been advised that it is in his best interest to obtain independent legal advice before entering into this Agreement, and he has either:
 - i. obtained such independent legal advice prior to executing this Agreement; or,
 - ii. has willingly chosen not to obtain such advice prior to executing this Agreement.
- e. He hereby affirms that he has read and understands the terms of this Agreement and is signing it voluntarily and of his own free will.

James (Jim) Grant as the DR of Signature Risk Partners Inc. having waived his rights, accepts and undertakes to fulfill the sanctions and requirements imposed as follows:

1. Pay the following:
 - a. a fine in the amount of \$10,275.00 representing \$75.00 for each of the 137 instances of engaging in insurance activities while unlicensed.
 - b. costs of investigation (20 hours x \$110.00) in the amount of \$2200.00



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2. To pay the total fine and costs of \$12,475.00 within 30 days from the date of this Agreement.
3. Within 60 days from the date of this Agreement, subject to the review and approval of ICS, develop and implement detailed policies and procedures, including employee training and technology, to ensure regulatory compliance. This includes written acknowledgement from the DR of his commitment to direct and timely communication with ICS and confirmation that they will be responsible for monitoring and implementing these requirements.

The Council's Agreement:

Upon fulfillment of the sanctions and requirements imposed in this Agreement, the Committee agrees this to be the full and final resolution of the violations of Council's Bylaws by the DR and Signature as outlined in this Agreement and to proceed with the licensing applications.

Originally signed by:

James (Jim) Grant

Designated Representative, Signature Risk Inc.

December 29, 2025

Date

Originally signed by:

Denny Huyghebaert, Executive Director

General Insurance Council of Saskatchewan

January 5, 2026

Date