Bulletin

No. G-01/00

\- General

Monitoring and enforcement report - including prosecution and hearing decisions - for fourth quarter, 1999

The Financial Services Commission of Ontario's (FSCO) Monitoring and Enforcement bulletins report on its prosecution activities, the decisions arising out of the hearings it conducts, and other regulatory activities that help ensure consumer confidence in the financial services sectors that FSCO regulates -- insurance, credit unions/caisses populaires, loan and trusts, co-operatives and mortgage brokers. FSCO also regulates pensions; its monitoring and enforcement reports on this sector appear separately in FSCO's Pension Bulletins.

The Financial Services Tribunal (FST), an independent adjudicative body, hears all appeals or reviews of proposed or intended decisions of the Superintendent of Financial Services, who makes the majority of first line regulatory decisions. The Director of the Licensing and Enforcement Division (the Director) has been delegated the authority by the Superintendent of Financial Services (Superintendent) to render licensing decisions. These appeals or reviews are conducted at the request of one of the affected parties. In hearing appeals or reviews of these decisions, the FST determines all questions of fact or law. As well, the FST has authority to make rules for the practice and procedure to be observed in a proceeding before it, and to order a party to a proceeding before it to pay the costs of another party or the FST's costs of the proceeding.

Actions of the Financial Services Commission of Ontario and the Financial Services Tribunal

Results of Monitoring Activities -- First Step in the Enforcement Process

Re Agents and Adjusters

FSCO undertakes a number of monitoring activities as part of its regulatory functions. It conducts police background checks on prospective agents, and also reviews complaints against agents made by other agents, insurers and policyholders. In addition, FSCO audits approximately 10 per cent of all life agent renewal applications to ensure they meet continuing education (CE) requirements. These checks, reviews and audits are the first step in the enforcement process. Most matters are resolved at this first step.

During the fourth quarter of 1999, the FSCO undertook the following:

- **Police Checks**

  A total of 1,098 police checks on the background of prospective agents were made with the Canadian Police Information Centre.

- **Complaints and Reviews**

  FSCO received 56 complaints about the conduct of agents for the fourth quarter October 1, 1999 to December 31, 1999. The subjects of the complaints included fraud, forgeries, misrepresentation, and agent misconduct.

  Overview of Complaints

Complaints in progress, from end of third quarter 1999	41
Plus: Complaints received during fourth quarter, 1999	56
Less: Complaints in progress at end of fourth quarter, 1999	45
Total number of Complaint reviews completed during fourth quarter, 1999	52

  Disposition of Complaint Reviews

Cases forwarded for potential enforcement	25

Cases resolved	11
Licences surrendered	0
Cases closed	16
Total	52

Cases may be closed for a variety of reasons. The most common are: the issue raised is outside FSCO's jurisdiction; there is insufficient evidence to substantiate a complaint; or the complaint is unfounded.

- **Audits**

FSCO initiated 83 audits of life agents during the fourth quarter to ensure they met their CE requirements. As a result of the audits, six cases required enforcement action to be initiated.

Investigations -- Second Step in the Enforcement Process

As a follow up to its regular monitoring activities -- police background checks on prospective agents, the reviews of complaints received against agents, and audits of agents' compliance with CE requirements -- FSCO may decide that some matters need to be investigated. An investigation is the second step in the enforcement process. It is used where prosecution or Advisory Board hearings may be contemplated.

During the fourth quarter of 1999, FSCO undertook the following:

- **Investigations initiated**

A total of 58 cases were forwarded to Investigations. Of that total, 45 cases related to agents and adjusters, seven related to mortgage brokers, five related to insurance companies, and one related to a cooperative.

Source of investigations

- Agents

Complaints about agent conduct	28
Allegations of unsuitability of agents	3
Doing business without a licence in force	8

Continuing education audits	6
Total:	45

- Mortgage Brokers

Doing business without a licence in force	7

- Insurance Companies

Complaints about insurance company conduct	4
Doing business without a licence in force	1
Total:	5

- Cooperatives

Complaints about cooperative conduct	1
Total:	58

Outcome of investigations

- A total of 63 cases were completed:

Charges laid in Provincial Offences court	5
Advisory Board Hearings held	2
Sponsorship of agent withdrawn	5
Superintendent's Orders issued	5
Letters of Censure issued	18
Licence Surrendered	2
Closed files (no enforcement action warranted)	26
Total:	63

Cases may be closed if there is insufficient evidence to support the allegations, or if the allegations are unfounded.

- **Letters of Warning**

During the fourth quarter, 123 Letters of Warning were issued to life agents who were late in applying for licence renewal.

- **Letters of Censure**

In addition to the 18 Letters of Censure issued as a result of formal investigations, four Letters of Censure were issued to life agents who did not provide full disclosure of information on their licence applications and five Letters of Censure were issued to agents as a result of information received via Life Agent Reporting Forms alleging agent misconduct.

- **Surrendered Licences**

The details surrounding the surrender of licences, indicated in the investigation statistics, are as follows:

Mary Ellen P. Berry	The agent surrendered her Level I life insurance agent's licence following allegations of selling insurance while unlicensed.
N. Quan Nguyen	The agent surrendered his Level I life insurance agent's licence following allegations of forgery of clients' signatures to insurance applications and the submission of these applications in British Columbia.

- **Minutes of Settlement and Consent Orders**

During the fourth quarter, eight agents entered into Minutes of Settlement for non-compliance with legislated continuing education requirements, and three agents consented to orders revoking their licences. In addition, two former agents admitted to wrongdoing and undertook not to reapply for licensing for a specified period of time.

Offences, Other than Continuing Education Offences

William R. Cupolo	By Minutes of Settlement, dated October 19, 1999, this former Level II agent admitted that he had requested the withdrawal of dividends from a policy owned by his former wife during their marriage. He received cheques made out to his former wife, and endorsed the cheques with both her name and his own. The agent has undertaken not to reapply for licensing as an insurance agent with FSCO for five years.
Natek Daheen	By an order, dated October 15, 1999, this Level II agent's licence was revoked. The agent admitted to forging a client's signature on seven applications for insurance. The agent consented to having his licence revoked and agreed not to apply for licensing in Ontario as either an insurance agent or broker for a period of seven years.
Robert Frigeri	By an order, dated December 23, 1999, this Level I agent's licence was revoked. The agent had submitted numerous incomplete and unsigned applications, for which he was paid commissions, which were later found to have been submitted without the knowledge of the clients. The agent consented to having his licence revoked.
Dino Soave	By Minutes of Settlement, dated December 7, 1999, this former Level I agent admitted that he forged the signature of his client on an automatic monthly premium payment form. The agent has undertaken not to reapply for licensing as an insurance agent with FSCO for a period of five years.

Victor Tomkinson	By an order, dated October 19, 1999, this agent's accident and sickness licence was revoked. The agent had collected premiums from clients, failed to remit the premiums to the insurer, and converted the monies to his own use. He also provided false information to FSCO on his licence renewal application. The agent consented to having his licence revoked and agreed not to apply for an accident and sickness or any other insurance agent's licence from FSCO for five years.

Continuing Education Offences

Ivan Cons	By an order, dated November 2, 1999, this Level I agent's licence to expire on January 15, 2000, unless conditions specified in Minutes of Settlement related to continuing education are met. Conditions were not met, and the agent's licence expired.
Robert Hinsperger	By Minutes of Settlement, dated December 1, 1999, this Level II agent's licence will be surrendered at its expiry, January 21, 2001. Mr. Hinsperger stated he had misplaced documentation to support completion of a portion of his required continuing education hours. As he is maintaining his licence only to assist the purchaser of his insurance agency before he retires, the Superintendent is willing to accept his explanation that the documentation was misplaced for the purpose of these Minutes of Settlement.

William Hobbs	By an order, dated December 8, 1999, this Level II agent's licence was suspended for a period of 30 days commencing March 15, 2000. Mr. Hobbs had failed to comply with the continuing education requirements at the time of his licence renewal and made a material misstatement in his renewal application by stating that he had completed the required continuing education hours. Further, this agent's licence will expire on November 1, 2000 unless conditions specified in the Minutes of Settlement related to continuing education are met.
John M. Hui	By an order, dated November 23, 1999, this Level II agent's licence was suspended for a period of 15 days commencing January 1, 2000. Mr. Hui had failed to comply with the continuing education requirements at the time of his licence renewal and made a material misstatement in his renewal application by stating that he had completed the required continuing education hours. Mr. Hui subsequently completed the outstanding continuing education requirements with respect to the licensing period in question.
Marcel Langlois	By an order, dated October 28, 1999, this Level I agent's licence would have expired December 31, 1999, unless conditions specified in Minutes of Settlement related to continuing education were met. Conditions were met.

Robert McIntosh	By an order, dated December 2, 1999, this Level II agent's licence was suspended for a period of 15 days commencing December 15, 1999. Mr. McIntosh had failed to comply with the continuing education requirements at the time of his licence renewal and made a material misstatement in his renewal application by stating that he had completed the required continuing education hours. Mr. McIntosh subsequently completed the outstanding continuing education requirements with respect to the licensing period in question.
Harry Persaud	By Minutes of Settlement, dated November 16, 1999, this Level II agent voluntarily surrendered his licence and undertook not to reapply for licensing in the future. Mr. Persaud could not produce documentation to confirm his completion of the required continuing education hours, even though he had attested to having completed the necessary hours. Mr. Persaud advised he is now retired, is not acting as an agent, and does not intend to do so in the future. Mr. Persaud agreed to surrender his life insurance agent's licence.
William J. Stewart	By an order, dated December 21, 1999, this Level II agent's licence was suspended for a period of 30 days commencing March 15, 2000. Mr. Stewart had failed to comply with the continuing education requirements at the time of his licence renewal and made a material misstatement in his renewal application by stating that he had completed the required continuing education hours. Mr. Stewart subsequently completed the outstanding continuing education requirements with

respect to the licensing period in question.

Prosecutions

Insurance

Charge:	**Working as an agent while unlicensed**
Against:	**Gilbert R. Brisson (Burlington) Level II agent**
Verdict:	**Guilty**

On November 16, 1999, in Toronto provincial court, Gilbert Brisson pleaded guilty and was convicted of practising as an insurance agent after his licence had expired. He was fined $500.

Charge:	**Furnishing False Information**
Against:	**Imrad Mohamed Hallim adjuster licence applicant**
Verdict:	**Guilty**

On November 23, 1999, in Toronto provincial court, Imrad Mohamed Hallim pleaded guilty and was convicted of furnishing false information in an application for an insurance adjuster's licence. He was fined $200. Mr. Hallim is not currently licensed.

Charge:	**Working as an agent while unlicensed and holding out**
Against:	**Hiralal Patel (Brampton) o/a Affordable Insurance Group**
Verdict:	**Guilty**

On October 26, 1999, in Toronto provincial court, Hiralal Patel pleaded guilty and was convicted of two counts of carrying on business and advertising as an insurance agent without a licence. He was fined $5,000 in respect of each offence for a total of $10,000.

Charge:	**Working as an agent while unlicensed**

Against:	**Ernest S. Tolgyesi (Aurora) Level II agent**
Verdict:	**Guilty**

On November 5, 1999, in Newmarket provincial court, Ernest Tolgyesi pleaded guilty and was convicted of practising as an insurance agent after his licence had expired. He was fined $500.

Charge:	**Working as an agent while unlicensed**
Against:	**Spiridione (Don) P. Zammit (Caledon East) Level I agent**
Verdict:	**Guilty**

On December 3, 1999, in Newmarket provincial court, Spiridione Zammit pleaded guilty and was convicted of practising as an insurance agent after his licence had expired. He was fined $1,000.

Mortgage brokers

Charge:	**Acting as a mortgage broker without registration**
Against:	**Indocan Investment Corporation**
Verdict:	**Guilty**

On October 1, 1999, in Toronto provincial court, Indocan Investment Corporation pleaded guilty and was convicted of carrying on business as a mortgage broker while unregistered. The company was fined $2,500.

Charge:	**Late filing of financial statements**
Against:	**Main Street Mortgage Services Ltd**
Verdict:	**Guilty**

On October 12, 1999, in Toronto provincial court, Main Street Mortgage Services Ltd. pleaded guilty and was convicted of late filing of audited financial statements as required under the *Mortgage Brokers Act.* The company was fined $900.

Charge:	**Acting as a mortgage broker without registration**

Against:	**Lascelle Reid o/a Surbank Financial**
Verdict:	**Guilty**

On November 16, 1999, in Toronto provincial court, Lascelle Reid pleaded guilty and was convicted of carrying on business as a mortgage broker while unregistered. He was fined $400.

Hearings

An Advisory Board assists in determining the granting or refusal of a new licence or the possible revocation or suspension of an existing licence for insurance agents and adjusters. The Board considers evidence presented by the applicant or agent as well as that put forward by counsel for FSCO.

Life agent:	**J. L. Ronald Armstrong (Barrie) Level II agent**
Advisory Board Hearing:	**October 27, 1999**
Decision:	**Licence Suspension if not in compliance by April 30, 2000**

An Advisory Board hearing was conducted in Toronto to consider allegations that Mr. Armstrong failed to comply with the continuing education requirements and was not truthful in his renewal application. In its report, the Board recommended that Mr. Armstrong's licence be suspended for a period of one month, that he be allowed two months from the date of the Superintendent's decision to provide proof of continuing education hours and that he be given the opportunity to make up any continuing education credits for which satisfactory proof could not be provided to the Superintendent.

By decision dated December 30, 1999, the Superintendent ordered that Mr. Armstrong has until April 30, 2000, to submit acceptable evidence of completion of 55 hours of continuing education, without penalty. If such evidence does not support Mr. Armstrong's assertion that he has completed 55 hours of continuing education, his licence will be suspended for a period of 30 days, commencing May 1, 2000. If Mr. Armstrong fails to submit by April 30, 2000, acceptable evidence of completion of 55 hours of continuing education, his licence will be revoked.

Life agent:	**Regent DesForges (Montreal) Level I agent**
Advisory Board Hearing:	**Agent did not request hearing**
Decision:	**Licence Suspended**

A Notice of Proposed Hearing was sent to Regent DesForges to consider suspending or revoking his life insurance agent's licence following allegations that he failed to comply with the continuing education requirements, was not truthful in his renewal application, did not file required information, and failed to facilitate an examination.

By decision dated October 27, 1999, the Superintendent found the allegations against Mr. DesForges to be established and ordered a suspension of the life agent's licence for a period of 90 days, commencing December 1, 1999. Additionally, the Superintendent ordered that Mr. DesForges submit by March 1, 2000, evidence acceptable to the Superintendent, of completion of 30 hours of continuing education. If such evidence is not submitted by March 1, 2000, Mr. DesForges' licence will be revoked on that date. Since the Superintendent's Order, Mr. DesForges surrendered his licence.

Life agent:	**Alberto Oliveira (Hamilton) Level II agent**
Advisory Board Hearing:	**August 16, 1999, adjourned to and concluded on October 22, 1999**
Decision:	**Licence Revoked**

An Advisory Board hearing was conducted in Toronto to consider the suspension or revocation of Mr. Oliveria's licence following allegations that he was not a suitable person to hold a life insurance agent's licence; that he has an unsatisfactory record of employment as a registered insurance broker; that he furnished false information to FSCO in his application; and that he was not of good character and reputation as is required of a life insurance agent. Mr. Oliveira was given notice of the hearing, but did not attend. The Board found the allegations against the agent to be established, and considered them to be very serious, warranting a penalty of licence revocation.

By decision dated December 30, 1999, the Superintendent accepted the findings of fact of the Board, and accepted the recommended penalty, ordering the revocation of Mr. Oliveria's life insurance agent's licence.

Life agent:	**Keith Rendall (Waterloo) Level II agent**
Advisory Board Hearing:	**September 27, 1999**
Decision:	**Licence Suspended**

An Advisory Board hearing was conducted in Toronto to consider allegations that Mr. Rendall had failed to comply with the continuing education requirements, was not truthful in his renewal application, did not file required information, and failed to facilitate an examination. The Board found the allegations against Mr. Rendall to be established. In its report, the Board recommended that Mr. Rendall's licence be suspended for a period of 60 days; and that he complete the required continuing education hours on or before March 31, 2000.

By decision dated October 27, 1999, the Superintendent accepted the findings of fact of the Board, and accepted the recommended penalty, ordering a suspension of the life agent's licence for a period of 60 days, commencing December 1, 1999. Additionally, the Superintendent ordered that Mr. Rendall submit by March 31, 2000, evidence acceptable to the Superintendent, of completion of 57.5 hours of continuing education. If such evidence is not submitted by March 31, 2000, Mr. Rendall's licence will be revoked.

Mr. Rendall appealed the decision (see below under "Financial Services Tribunal Decisions", for the outcome).

Life agent:	**Leonard Sagriff (Belleville) Level II agent**
Advisory Board Hearing:	**August 25, 1999**
Decision:	**Licence Suspended**

An Advisory Board hearing was conducted in Toronto to consider allegations that Mr. Sagriff had failed to comply with the continuing education requirements, and was not truthful in his renewal application. The Board found the allegations against Mr. Sagriff to be established. In its report, the Board recommended that Mr. Sagriff's licence be suspended for a period of 60 days, such suspension to continue until Mr. Sagriff completed the required continuing education hours; and that he complete the required continuing education hours on or before January 31, 2000, failing which, his licence will be revoked.

By decision dated October 27, 1999, the Superintendent accepted the findings of fact made by the Board, and accepted the recommended penalty, ordering a suspension of the life agent's licence for a period of 60 days, commencing December 1, 1999. Additionally, the Superintendent ordered that Mr. Sagriff be allowed until June 30, 2000, to submit evidence acceptable to the Superintendent, of completion of 52.5 hours of continuing education. If such evidence is not submitted by June 30, 2000, Mr. Sagriff's licence will be revoked.

Life agent:	**Thomas Spanton (Nepean) Level II agent**
Advisory Board Hearing:	**Agent did not request hearing**
Decision:	**Licence Suspended**

A Notice of Proposed Hearing was sent to Thomas Spanton to consider suspending or revoking his life insurance agent's licence following allegations that he failed to comply with the continuing education requirements, was not truthful in his renewal application, did not file required information, and failed to facilitate an examination.

By decision dated October 27, 1999, the Superintendent found the allegations against Mr. Spanton to be established and ordered a suspension of the life agent's licence for a period of 90 days, commencing December 1, 1999. Additionally, the Superintendent ordered that Mr. Spanton submit by March 1, 2000, evidence acceptable to the Superintendent, of completion of 30 hours of continuing education. If such evidence is not submitted by March 1, 2000, Mr. Spanton's licence will be revoked on that date.

Dispute Resolution Decisions

An arbitrator may decide at the conclusion of an arbitration hearing involving insurers and statutory accident benefits claimants, to impose penalties under the *Insurance Act.* Under section 282(10), a special award may be made against an insurer where it has acted unreasonably. Under section 282(11.2), an assessment award may be made against an insured person if the arbitration is frivolous or vexatious, or an abuse of process.

Type of Decision	**Arbitration**
Applicant	**Antonia Da Silva**
Decision:	**Licence Suspended**

Insurer	**Kingsway General Insurance Company**
Penalty	**Assessment Award**

An arbitration decision was released on October 5, 1999, regarding the application to Kingsway General Insurance Company by Antonia Da Silva for statutory accident benefits. The applicant sustained personal injuries in a motor vehicle accident on June 19, 1995. After continuing to work after the accident until May 16, 1997, the applicant applied for statutory accident benefits. Kingsway refused to pay any benefits. The applicant did not attend the hearing, nor did he offer an explanation for his absence. The arbitrator dismissed the applicant's claim for benefits, found that the applicant abused the arbitration process, and ordered the applicant to pay the insurer's assessment fee and some expenses Kingsway incurred for the hearing.

Type of Decision	**Arbitration**
Applicant	**L.C.**
Insurer	**Wawanesa Mutual Insurance Company**
Penalty	**Special Award**

An arbitration decision was released on October 13, 1999, regarding the application to Wawanesa Mutual by Ms. L. C. for statutory accident benefits. The applicant sustained personal injuries in a motor vehicle accident on August 11, 1994. Wawanesa paid the applicant weekly disability benefits but terminated benefits after August 12, 1996. The insurer disputed Ms. L.C.'s claims for ongoing disability benefits, psychological counselling, housekeeping and home maintenance. The arbitrator determined the insurer breached its duty to treat the applicant with utmost good faith. In addition to receiving a special award of $8,000, including interest, the applicant received, retroactively, outstanding weekly benefits from the insurer for the period up to January 21, 1999.

Type of Decision	**Arbitration**
Applicant	**Ronald Warwick**
Insurer	**Liberty Mutual Insurance Company**
Penalty	**Special Award**

An arbitration decision was released on October 10, 1999, regarding the application to Liberty Mutual Insurance

Company by Ronald Warwick for statutory accident benefits. The applicant was eight years old when he sustained personal injuries in a motor vehicle accident on September 2, 1994. Liberty Mutual paid the applicant weekly income replacement benefits but refused to pay for the services of a case manager retained by the applicant, to co-ordinate the efforts of the various service providers on behalf of the applicant. The insurer indicated that no medical expert had confirmed the need for the services of a case manager until about five years after the accident.

The arbitrator noted the applicant's family doctor concurred with the need for case management services, and for the appointment of the particular provider, and certified that such services were reasonable and necessary as a result of the accident. The arbitrator went on to note that that there is no statutory requirement for a medical expert to confirm the need for case management services prior to the payment of the expense. In her decision, the arbitrator ordered the insurer to pay the outstanding amounts owing for case management services and made a special award of $2,500, including interest, to the applicant.

Type of Decision	**Arbitration**
Applicant	**Barry M. Deslippe**
Insurer	**Motor Vehicle Accident Claims Fund**
Penalty	**Special Award**

An arbitration decision was released on October 20, 1999, regarding the application to the Motor Vehicle Accident Claims Fund for statutory accident benefits. The applicant sustained personal injuries in a motorcycle accident on July 10, 1994. Although the Fund paid the applicant income replacement and loss of earning capacity benefits, the applicant disputed the amount of benefits he was entitled to. Mr. Deslippe contended the Fund should not have deducted Canada Pension Plan (CPP) benefits from his loss-of-earning-capacity payments. The arbitrator found that the Fund entirely disregarded the clear statutory direction of section 29(1) as to how pre-accident earning capacity is to be determined. In so doing, the Fund failed to include CPP benefits in its evaluation and therefore unreasonably withheld benefits. The arbitrator gave the applicant a special award of 25 per cent of the amount owing. The Fund was also ordered to pay interest on the amount deducted for CPP benefits.

Type of Decision	**Arbitration**
Applicant	**Fantu Gabremichael**

Insurer	**Zurich Insurance Company**
Penalty	**Special Award**

An arbitration decision was released on October 12, 1999, regarding the application to Zurich Insurance Company by Ms. Fantu Gabremichael for statutory accident benefits. The applicant sustained personal injuries in a motor vehicle accident on October 7, 1995. Zurich Insurance paid the applicant weekly income replacement benefits but terminated payments on September 20, 1997.

The arbitrator concluded the insurer failed to consider the totality of the medical evidence concerning the applicant's medical condition and, instead, appeared to rely selectively on elements from any report which favoured its decision to terminate benefits. The arbitrator noted that the insurer ignored anything in the medical reports that supported its position, and ceased to work as a partner in the proper rehabilitation of the applicant. The applicant was given a special award of $10,000 inclusive of interest.

Type of Decision	**Arbitration**
Applicant	**Panos Moschonissios**
Insurer	**York Fire & Casualty Insurance Company**
Penalty	**Special Award**

An arbitration decision was released on December 23, 1999, regarding the application to York Fire & Casualty Insurance Company by Panos Moschonissios for statutory accident benefits. The applicant sustained personal injuries in a motor vehicle accident on September 18, 1995. York paid the applicant weekly income replacement benefits but terminated payments on March 10, 1997. The insurer disputed whether the cause for Mr. Moschonissios' ongoing disability was attributable to two other accidents he was involved in prior to September 18, 1997, and to non-accident-related health problems. The insurer eventually paid outstanding income benefits to Mr. Moschonissios on the eve of the arbitration hearing.

The arbitrator stated that the insurer has a responsibility to take reasonable care in ascertaining the current state of the law where the law is changed (concerning the calculation of benefits) or clarified to the benefit of the insured, and that insurers must make the appropriate adjustments with reasonable promptness. The arbitrator stated that it was not sufficient to deal with adjustments on the eve of the hearing; in doing so, according to the arbitrator, the insurer unreasonably delayed paying benefits to the applicant; and assessed the insurer the sum of $5,000, including interest, payable to the applicant.

Financial Services Tribunal Decisions

Appellant	**Keith Rendall (Waterloo) Level II agent**
Type of Matter	**October 27. 1999 Decision of the Superintendent of Financial Services,**
Outcomes	**A. Motion Granted to the Appellant for a Stay of the Decision -- December 10, 1999 Order; Reasons released December 17, 1999 B. Decision Confirmed with variations -- December 20, 1999; Reasons released January 8, 2000**

On December 10, 1999, the Financial Services Tribunal held a hearing regarding the October 27, 1999 decision by the Superintendent to suspend for 60 days, effective December 1, 1999, the Level II life insurance agent licence of Keith Rendall. The decision also required Mr. Rendall to submit evidence that he satisfied the continuing education requirements for his licence.

The December 10, 1999 hearing was held to hear the appellant's motion for a stay of the suspension. Mr. Rendall argued that the Superintendent failed to consider his life situation, including his temporary disability and his past exemplary record as a life insurance agent.

At the end of the hearing, the Tribunal issued an Order staying the suspension, pending the disposition of the appeal to be heard by the Tribunal on December 20, 1999. The Tribunal provided reasons for its decision, including its belief that the conduct of the appellant did not call into direct and immediate question his competence in carrying on his job as a life agent.

On December 20, 1999, the Tribunal held a hearing regarding the decision to suspend for 60 days, effective December 1, 1999, the Level II life insurance licence of Keith Rendall. The Tribunal dismissed the appeal and confirmed the Superintendent's decision with some variations to the term of Mr. Rendall's licence suspension. The

Order states that the appellant's licence will be suspended from March 1, 2000 for 60 days. Since Mr. Rendall had already served 10 days of suspension between December 1, 1999 and December 10, 1999, his licence suspension will be 50 days, effective March 10, 2000.

Martha Milczynski

Chair

Financial Services Commission of Ontario

Chair

Financial Services Tribunal

Dina Palozzi

Chief Executive Officer

Financial Services Commission of Ontario

Superintendent of Financial Services

February 15, 2000

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