



# Hail Insurance Council of Saskatchewan

## Fall 2009 Newsletter

### CHANGE IN ICS MANAGEMENT

After almost seventeen years of sharing the management responsibilities for both the Insurance Councils of Saskatchewan (ICS) and the Insurance Brokers' Association of Saskatchewan (IBAS) current Executive Director, Ernie Gaschler will begin devoting his entire time and energy to the activities of IBAS.

The ICS wishes to express its appreciation for the leadership he provided to the Insurance Councils during this period and for his dedication to the regulatory process.

After an extensive executive search, the ICS is pleased to announce the **appointment of Mr. Ron Fullan as the new Executive Director of the Insurance Councils of Saskatchewan (ICS)** effective January 1, 2010.

Ron will work with the ICS to develop strategic and business plans to ensure their long-term success and to manage the licensing of insurance brokers, agents and adjusters in Saskatchewan on behalf of the three Councils.

Ron has over 25 years of progressive and senior experience in the financial services and insurance industries and has been actively involved with the Insurance Councils of Saskatchewan for a significant period of time so he has a good grasp of the work that lies before him.

The Councils would like to extend best wishes to Ernie as he moves forward with the brokers association and to welcome Ron as he begins his new role as the Executive Director of ICS.

### LICENCE FEE CHANGE

As a result of the decision to restructure management and to acquire additional office space, the ICS will increase the licence fees as follows effective January 1, 2010:

- (a) Hail Adjusting Firm Licence - \$75
- (b) Hail Adjuster Representative Licence - \$50

- (c) Hail Adjuster Licence - \$70
- (d) Hail Agency Licence - \$75
- (e) Hail Agent/Salesperson Licence - \$50

### ANNUAL REPORTING FORMS

The annual reporting forms are now being sent by email to the email address licensees provided on previous annual reporting forms.

If the annual reporting forms are returned to Council because of email security reasons or invalid email addresses, the forms will be mailed.

If you wish to add Council staff as acceptable email recipients, please contact our office at [info@skcouncil.sk.ca](mailto:info@skcouncil.sk.ca) to obtain a listing of Council staff and their email addresses.

### SETTLEMENT OF LOSS UNDER A HAIL INSURANCE POLICY

The process of settling a loss under a hail insurance policy is based on the Statutory Conditions set out in Section 286(1) of *The Saskatchewan Insurance Act*. The Statutory Conditions are terms included in the insurance contract and are printed on the back of the insurance policy.

The adjustment process, appraisal process and umpire process is described in this document and can be obtained from the Council website at [www.skcouncil.sk.ca/hail\\_brochure.htm](http://www.skcouncil.sk.ca/hail_brochure.htm).

This document may be distributed to insured's for their reference.



## COUNCIL WEBSITE

The Council website provides a licence search function for industry and public use.

The site can be used to confirm the status of a licence or to determine if the licence has been renewed.

The bylaws, schedules, licence forms and other information are also available.

Visit [www.skCouncil.sk.ca](http://www.skCouncil.sk.ca).

## DISCIPLINARY SECTION

Please note this particular link provides information on [Council's Disciplinary Decisions](#) from June 2006 to present. For information regarding disciplinary decisions made prior to June 2006, please refer to the previously published Council Bulletins posted on the website under [Bulletins](#).

Any licensee who uses disciplinary decisions to discredit another licensee or any other person may be guilty of misconduct.

### **Trina Fay Barber and Carnduff Agencies Inc.**

Trina Fay Barber (Barber) of Carnduff SK representing Carnduff Agencies Inc. on March 11, 2009 entered into a Consensual Agreement and Undertaking (The Agreement) with the Complaints and Investigation Committee of the General Insurance Council of Saskatchewan.

Barber and Carnduff Agencies Inc., in the Agreement acknowledged, that between July 1, 2007 and July 2, 2008 Barber was permitted to act as a salesperson representing Carnduff Agencies Inc. During this period Barber did not hold an All Classes other than Life insurance salesperson's licence.

Barber and Carnduff Agencies Inc. agreed to pay Council's investigation costs in the amount of \$400 and to each pay a fine of \$500 for the contravention of *The Saskatchewan Insurance Act* and the General Insurance Council Bylaws. The total fines and costs paid were \$1,400.

### **Ronald Joseph Blouin**

Ronald Joseph Blouin (Blouin) of Fort Qu'Appelle SK representing The Manufacturers Life Insurance Company on March 23, 2009 entered into a Consensual Agreement and Undertaking (The Agreement) with the Complaint and investigation Committee of the Life Insurance Council of Saskatchewan.

Blouin, in the Agreement, acknowledged that he failed to maintain a valid policy of errors and omissions insurance and failed to immediately notify Council of the cancellation and/or non-renewal of his errors and omissions insurance policy.

Blouin agreed to accept a 30 day suspension of his licence for the period March 23, 2009 to April 22, 2009 and pay Council's investigation costs in the amount of \$200.

### **Richard Scott Da Silva**

Richard Scott Da Silva of Toronto ON representing ACE INA Life Insurance on July 16, 2008 entered into a Consensual Agreement and Undertaking (The Agreement) with the Complaints and Investigation Committee of the Life Insurance Council of Saskatchewan.

Da Silva, in the Agreement, acknowledged that he failed to maintain a valid policy of errors and omissions insurance and failed to immediately notify Council of the cancellation and/or non-renewal of his errors and omissions insurance policy.

Da Silva agreed to accept a 30 day suspension of his licence for the period August 1, 2008 to August 30, 2008.

### **Glen Raymond Fisher**

Glen Raymond Fisher (Fisher) of Regina SK representing The Standard Life Insurance Company and the Cooperators Life Insurance Company was found to have contravened;

1. Life Insurance Council Bylaw 8 s. (1), (a) when; Fisher provided two emails to his client's lawyer, both of which contained erroneous information. He represented the clients assets included four life insurance policies on his client's life with total death benefit of \$1,025,000 and that cash values in the policies was minimal and was being used to pay premiums. Fisher was aware this was erroneous as at that time three of the four policies had lapsed and only \$25,000 worth of insurance was in place.

A second communication to the lawyer was a beneficiary list sent that indicated there were four policies on the client's life when at the time three of them had lapsed. Also one policy was inaccurately portrayed as worth \$50,000, when in fact it was worth \$25,000. Fisher was aware this was erroneous.

The Discipline Committee determined Fisher's conduct of providing inaccurate information to a lawyer, who he knew was preparing a will for his client, was disgraceful and dishonourable and clearly harmed the standing of licensees in the insurance industry.



The Committee ordered that pursuant to Life Insurance Council Bylaw 10 s. 2:

- (a) Glen Raymond Fisher's licences be suspended for three (3) months (pursuant to Bylaw 10 s. 2(1)(b));
- (b) Glen Raymond Fisher pay to the Life Insurance Council prior to reinstatement a fine in the amount of \$2,500.00 (pursuant to Bylaw 10 s. 2(1)(c));
- (c) Glen Raymond Fisher pay to the Life Insurance Council prior to reinstatement costs in the amount of \$2,920.00 representing the costs of the investigation and Disciplinary Hearing (pursuant to Bylaw 10 s. 2(1)(d));
- (d) Glen Raymond Fisher successfully complete at his own expense and prior to reinstatement an "Ethics" course approved by the Life Insurance Council (pursuant to Bylaw 10 s. 2(1)(g)(iii)); and
- (e) Glen Raymond Fisher's licences will be suspended for three (3) months and will remain suspended until full compliance with paragraphs (b), (c) and (d) above.

2. Life Insurance Council Bylaw 8 s. (2), (c) when; Fisher provided false and misleading information on two occasions in the course of servicing his insurance business with his client. The information was the communications to the client's lawyer. Fisher's client had requested that he provide details of her insurance policies to her lawyer.

The Disciplinary Hearing Committee determined that Fisher provided false and/or misleading communications in the course of servicing Insured's insurance business.

The Committee orders that pursuant to Life Insurance Council Bylaw 10, s. 2:

- (a) Glen Raymond Fisher's licences be suspended for three (3) months (pursuant to Bylaw 10 s. 2(1)(b));
- (b) Glen Raymond Fisher pay to the Life Insurance Council prior to reinstatement a fine in the amount of \$2,500.00 (pursuant to Bylaw 10 s. 2(1)(c));
- (c) Glen Raymond Fisher pay to the Life Insurance Council prior to reinstatement costs in the amount of \$2,920.00 representing the costs of the investigation and Disciplinary Hearing (pursuant to Bylaw 10 s. 2(1)(d));

- (d) Glen Raymond Fisher successfully complete at his own expense and prior to reinstatement an "Ethics" course approved by the Life Insurance Council (pursuant to Bylaw 10 s. 2(1)(g)(iii)); and
- (e) Glen Raymond Fisher's licences will be suspended for three (3) months and will remain suspended until full compliance with paragraphs (b), (c) and (d) above.

The suspensions imposed in charge 1 and 2 are to run concurrently and successful completion of one Ethics course is sufficient to satisfy both decisions.

The fines totaled \$5,000 and costs totaled \$5,840.

Fisher's licence(s) were suspended April 24, 2009.

#### **Harry Douglas Homenick and H. Douglas Homenick Insurance Agency Ltd.**

H. Douglas Homenick Insurance Agency Ltd. and Harry Douglas Homenick of Winnipeg MB representing The Manufacturers Life Insurance Company on November 4, 2008 entered into a Consensual Agreement and Undertaking (The Agreement) with the Complaints and Investigation Committee of the Life Insurance Council of Saskatchewan.

H. Douglas Homenick Insurance Agency Ltd. and Harry Douglas Homenick, in the Agreement, acknowledged they failed to notify Council within 30 days of regulatory proceedings that were initiated against them by the Manitoba Insurance Council, and they failed to disclose on their annual licence report(s) to Council the regulatory proceedings or penalty imposed upon them by the Manitoba Insurance Council.

H. Douglas Homenick Insurance Agency Ltd. and Harry Douglas Homenick agreed to pay Council's investigation costs in the amount of \$300 and to pay a fine of \$250 for each failure to disclose the regulatory proceedings against them. The total fine to be paid was \$500.

**Bradley Gerald Kinchen** (Kinchen) a hail agent sponsored by Wray Agencies Ltd. was found to have contravened three sections of The Hail Insurance Council Bylaws.

A Discipline Committee of the Hail Insurance Council on May 19, 2009 determined the following:

1. That contrary to Bylaw 8, Section 1, subsection (a), Kinchen failed to act in the best interests of DL and/or Wray Agencies Ltd. and/or Palliser Insurance Company Limited when:

On July 11, 2008 Kinchen took an application for hail insurance from DL and received payment from DL in the amount of \$580. Kinchen did not submit



the application or payment for the insurance to Wray Agencies Ltd.

DL trusted Kinchen to place the hail insurance for which he had applied and paid for. Even when DL contacted Kinchen he still took no action to correct a problem that he had to know existed. This is a most fundamental breach of the duty owed to a consumer by an agent.

When a licensee violates the trust of a consumer all licensees are, to a degree, tarnished.

2. That contrary to Bylaw 8, Section 2, subsection (k), Kinchen failed to carry out the lawful instructions of DL when:

Kinchen was contacted by DL on or about August 1, 2008 and asked why he had not received his hail insurance policy Kinchen told him he would look after it but Kinchen never did.

The evidence shows Kinchen failed to place the application with Wray Agencies Ltd. and/or Palliser Insurance Company. When DL made him aware of what may have been an omission on Kinchen's part, Kinchen did nothing to correct the problem. Kinchen's inaction forced DL to seek outside assistance to confirm he had insurance coverage in place. Kinchen failed to carry out DL's lawful direction.

3. That contrary to Bylaw 8, Section 2, subsection (b), Kinchen demonstrated an unsuitability and untrustworthiness to act as a licensee when:

Kinchen failed to pay to Wray Agencies Ltd. the premium Kinchen received from DL in the amount of \$580. The premium was paid to Kinchen in trust and he was obligated to pay the premium over to Wray Agencies Ltd.

The intentions of Kinchen at the time he took the application and premium payment can not be known with any degree of certainty, however, what is known is that when he was contacted by DL he promised to take care of it but never did. This is a demonstrated unsuitability and untrustworthiness to act as a licensee.

The Discipline Committee ordered that for each contravention of Council Bylaws the following concurrent penalties were to be imposed upon Kinchen:

1. Kinchen's license be cancelled;
2. Kinchen pay hearing costs in the amount of \$950;

3. Kinchen pay investigation costs in the amount of \$2,420; and

4. Kinchen pay a fine of \$500.

#### **Lance James Emil LaCroix**

Lance James Emil LaCroix of Wakaw SK representing The Canada Life Assurance Company of Canada on January 30, 2009 entered into a Consensual Agreement and Undertaking (The Agreement) with the Complaints and Investigation Committee of the Life Insurance Council of Saskatchewan.

LaCroix in the Agreement acknowledged that he on two separate occasions failed to maintain a valid policy of errors and omissions insurance and failed to immediately notify Council of the cancellation and/or non-renewal of his errors and omissions insurance policy.

LaCroix agreed to accept a 90 day suspension of his licence for the period January 30, 2009 to April 30, 2009 and pay Council's investigation costs in the amount of \$400.

#### **Craig Stephen McCrystal**

Craig Stephen McCrystal of Regina SK representing The Equitable Life Insurance Company of Canada on April 21, 2008 entered into a Consensual Agreement and Undertaking (The Agreement) with the Complaints and Investigation Committee of the Life Insurance Council of Saskatchewan.

McCrystal, in the Agreement, acknowledged that he failed to maintain a valid policy of errors and omissions insurance and failed to immediately notify Council of the cancellation and/or non-renewal of his errors and omissions insurance policy.

McCrystal agreed to accept a 30 day suspension of his licence for the period April 21, 2008 to May 21, 2008.

#### **Cheryl Ann McLean**

Cheryl Ann McLean of Regina SK representing American Income Life Insurance Company on April 29, 2008 entered into a Consensual Agreement and Undertaking (The Agreement) with the Complaints and Investigation Committee of the Life Insurance Council of Saskatchewan.

McLean, in the Agreement, acknowledged that she failed to maintain a valid policy of errors and omissions insurance and failed to immediately notify Council of the cancellation and/or non-renewal of her errors and omissions insurance policy.

McLean agreed to accept a 30 day suspension of her licence for the period April 30, 2008 to May 30, 2008.



**Kevin Richard Scott Peyson**

Kevin Richard Scott Peyson of Regina SK representing RBC Life Insurance Company on November 19, 2008 entered into a Consensual Agreement and Undertaking (The Agreement) with the Complaints and Investigation Committee of the Life Insurance Council of Saskatchewan.

Peyson, in the Agreement, acknowledged that he failed to maintain a valid policy of errors and omissions insurance and failed to immediately notify Council of the cancellation and/or non-renewal of his errors and omissions insurance policy.

Peyson agreed to accept a fine in lieu of a licence suspension. The fine he paid was in the amount of \$1,200 and was based on \$200 for each week that he had failed to maintain his errors and omissions insurance.

**Kenneth Lorne Percival**

Kenneth Lorne Percival (Percival) of Deloraine MB representing Co-operative Hail Insurance Company, on March 4, 2009 entered into a Consensual Agreement and Undertaking (The Agreement) with the Complaints and Investigation Committee of the Hail Insurance Council of Saskatchewan.

Percival, in the Agreement, acknowledged that he allowed his Saskatchewan Hail Adjuster licence to lapse on July 2, 2008 and while it was lapsed, adjusted 17 hail insurance claims.

Percival agreed to pay a fine in the amount of \$162 and pay Council's investigation costs in the amount of \$220.

**Gregory Kenning Schierbeck** sponsored by Sun life Assurance Company of Canada entered into a Consensual Agreement and Undertaking with the Life Insurance Council wherein he agreed that:

He contravened Section 416 of *The Saskatchewan Insurance Act* (The Act) and Council Bylaw 8, Section 2, (g), when:

1. He did, between October, 2006 and September, 2007, sell five (5) life insurance policies to four (4) Saskatchewan residents;
2. The five (5) life policies were issued by Sun Life Assurance Company of Canada (Sun life); and
3. At all relevant dates he did not hold an existing insurance licence under The Act that would permit him to act as a life insurance agent in Saskatchewan. And further agreed:

To pay a fine in the amount of \$500 for each of the five (5) life insurance policies he sold in Saskatchewan while he was unlicensed; and

Reimburse Council's investigation costs in the amount of \$250.

**Marcy Dawn Vizina** who was not at the time sponsored by an agency, entered into a Consensual Agreement and Undertaking with the General Insurance Council wherein she agreed that she did:

Contrary to Bylaw 8, Section 1, (a) and (b) of the General Insurance Council of Saskatchewan (Council) Vizina did engage in conduct that was:

1. Contrary to the best interests of the consumer and licensees when:
  - a. She did, in an email dated August 6, 2009, recommend to several persons whom she considered to be friends that they cancel their insurance with her former employer; and
  - b. She did, in the same email, allege that a licensee knew nothing about insurance.

**Vizina** further agreed to:

1. Not to engage in any further communications that may injure the reputation of another licensee or cause a consumer to take action that may not be in their best interest; and
2. To reimburse Council's investigation costs in the amount of \$220 prior to the reinstatement of her insurance licence that is currently suspended.



## CONTACT SECTION

### Council Staff

Ernie Gaschler	Executive Director
Penny Barlow	Licensing/Compliance Assistant
Annette Graff	Manager of Licensing
Diane Lindsay	Licensing/Continuing Education Coordinator
April Stadnek	Compliance Officer
Cindy Swales	Licensing
John Waugh	Director of Compliance

### Contact Information

Licensing	306.347.0862	
Complaints	306.352.7870	John
	306.757.1988	April
Fax	306.569.3018	
Email	info@skcouncil.sk.ca	

### Council Members

The names of the Council members may be obtained from the web site at the following addresses:  
[www.skcouncil.sk.ca/hail\\_council.htm](http://www.skcouncil.sk.ca/hail_council.htm)

## EXAM SECTION

Ingrid Stroeder, Examination Coordinator

Exam scheduling 306.525.5900

[www.ibas.sk.ca](http://www.ibas.sk.ca)