



**IN THE MATTER OF THE FINANCIAL INSTITUTIONS ACT
R.S.B.C. 1996, C. 141, AS AMENDED**

- AND -

**IN THE MATTER OF SNC Insurance Company (Barbados) Ltd., George
Voisin (Director and Officer) and Trevor Thompson (Director),**

- AND

**Stop 'N' Cash 1000 Inc. (Kitchener, Ontario), and Tim Voisin (Director and Officer)
and Clive Metcalf (Director and Officer),**

ORDER UNDER SECTIONS 244(2) AND 238, AND

**NOTICE OF RIGHT OF HEARING OR APPEAL
UNDER SECTIONS 238(2) AND 242.2**

WHEREAS it appears to the Superintendent of Financial Institutions (the "Superintendent") that:

- 1 Stop 'N' Cash 1000, Inc. ("Stop 'N' Cash") is the franchisor of a franchise system commonly known and advertised as "Stop 'N' Cash". The registered office of Stop 'N' Cash is 809 Victoria Street North Unit 11, Kitchener, Ontario and it advertises as operating from 809 Victoria Street North, Kitchener, Ontario. The franchises sold by Stop 'N' Cash are for the business of lending money in a manner commonly known as payroll or payday loans. The business model for the franchise system is that of Stop 'N' Cash. Tim Voisin (of Kitchener, Ontario) and Clive Metcalf (of West Vancouver, British Columbia) are each a Director and Officer of Stop 'N' Cash.
2. The sole active BC franchise of Stop 'N' Cash is owned by 609662 BC Ltd. and operates in Abbotsford, BC ("Stop 'N' Cash Abbotsford"). This business started operating in 2001. 609662 BC Ltd. is not owned directly or indirectly by Stop 'N' Cash. There was at least one other BC franchise but as of this date it is not in operation.
3. SNC Insurance Company (Barbados) Inc. ("SNC Insurance") is a Barbados company incorporated under the *Companies Act* of Barbados, and authorized to do

**Financial
Institutions
Commission**

• Superintendent of Financial Institutions
• Superintendent of Pensions
• Superintendent of Real Estate
• Registrar of Mortgage Brokers
• Credit Union Deposit Insurance
Corporation of British Columbia

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business in Barbados under the *Exempt Insurance Act* of Barbados. The registered office of SNC Insurance is Ernst & Young Building, Bush Hill, Bay Street, St. Michael, Barbados. George Voisin (of Kitchener, Ontario) is a Director and Officer of SNC Insurance and Trevor Thompson (of St. Philip, Barbados) is a Director of SNC Insurance. SNC Insurance is not owned directly or indirectly by Stop 'N' Cash or any Stop 'N' Cash franchisee.

4. None of the companies or individuals listed are authorized or otherwise licensed to conduct insurance business in British Columbia as insurers, insurance agents or insurance salespersons.
5. Key components of the Stop 'N' Cash business model as required of all franchisees by the franchise agreement are
 - a) the remittance to SNC Insurance of set up fees and insurance premiums for an insurance product for the franchisee as insured and delivered by SNC Insurance as insurer, which purportedly insures Stop 'N' Cash 1000 and Stop 'N' Cash franchisees (including Stop 'N' Cash Abbotsford) against losses incurred by reason of default on loans due to death or permanent disability of borrowers; and
 - b) payment of rebates from SNC Insurance to the franchisee totalling 97% of the premiums paid by the franchisee.
6. Relevant sections of the *Financial Institutions Act* (the "Act"), are:
 - 1 ..."insurance business" means, in relation to British Columbia residents, the business of
 - (a) undertaking or offering to undertake to indemnify another person against loss or liability for loss in respect of a certain risk or peril to which the object of the insurance may be exposed,
 - (b) soliciting or accepting any risk,
 - (c) soliciting an application for a contract of insurance,
 - (d) issuing or delivering a
 - (i) receipt for any contract of insurance, or
 - (ii) contract of insurance,
 - (e) in consideration of any premium or payment, granting an annuity on a life or lives,
 - (f) collecting or receiving any premium for a contract of insurance,

- (g) adjusting any loss covered by a contract of insurance, or
 - (h) advertising for any business described in paragraphs (a) to (g),
- whether or not the person undertaking an activity or activities set out in paragraphs (a) to (h) can or does distribute any gain, profit or dividend, or otherwise disposes of the person's assets, to a member or shareholder of the person other than during winding up or on dissolution;

75 A person must not carry on insurance business in British Columbia unless the person is

- (a) an insurance company or extraprovincial insurance corporation that has a business authorization to carry on insurance business,
- (b) a company registered under the *Insurance (Captive Company) Act*,
- (c) a member of a reciprocal exchange as defined in section 186 for which a permit under section 187 has been issued and is in effect,
- (d) licensed under Division 2 of Part 6 as an insurance agent, insurance salesperson, insurance adjuster or employed insurance adjuster and is carrying on the insurance business only in that capacity,
- (e) the deposit insurance corporation, the Canada Deposit Insurance Corporation or the Insurance Corporation of British Columbia,
- (f) an insurer
 - (i) named by regulation for the purpose of section 61 (8) (c) (ii) or 66 (1) (b), or
 - (ii) that administers an insurance compensation plan designated by regulation for the purpose of section 66 (2),
- (g) a society described in section 193 (1) (a) to (g) that, immediately before September 15, 1990, was carrying on the business of insurance,
- (h) a credit union that is carrying on insurance business only by making or participating in contracts of insurance as permitted by section 82 of the *Credit Union Incorporation Act*, or
- (i) a central credit union that is carrying on insurance business only by providing or arranging insurance as permitted by section 90 (2) of the *Credit Union Incorporation Act*.

79 (1) A person, in relation to the sale of insurance, must not, directly or indirectly, pay or allow, or offer or agree to pay or allow, a rebate of premium or part of it or other consideration or thing of value intended to be in the nature of a

rebate of premium or other gift, promotion or inducement to a person insured or applying for insurance in respect of life, person or property in British Columbia.

171(2) A person must not act in British Columbia as an insurance agent or insurance salesperson unless the person is licensed as an insurance agent or insurance salesperson, as the case may be.

Exceptions provided for by the Act and regulations do not apply to the conduct of the parties.

7. SNC Insurance is, for the purpose of fulfilling the business model of Stop 'N' Cash, controlling, operating and managing an insurance scheme directly and through Stop 'N' Cash in which a British Columbia company is required to participate through the franchise agreement. SNC Insurance is conducting unauthorized insurance activities in respect of a British Columbia resident as follows:
 - a) soliciting for insurance contracts in British Columbia through Stop 'N' Cash acting as its agent,
 - b) delivering insurance contracts in British Columbia either directly or through Stop 'N' Cash acting as its agent,
 - c) collecting premiums from a British Columbia resident pursuant to the terms of the franchise agreement between franchisee and Stop 'N' Cash, directly or through Stop 'N' Cash acting as its agent; and
 - d) rebating premiums to a British Columbia resident pursuant to the terms of the franchise agreement between franchisee and Stop 'N' Cash directly or through Stop 'N' Cash acting as its agent.
8. Stop 'N' Cash is, for the purpose of its business model and franchise system, conducting the following unauthorized insurance activities as an agent on behalf of SNC Insurance in respect of a British Columbia resident:
 - a) soliciting for and negotiating insurance contracts,
 - b) delivering insurance contracts; and
 - c) acting as an administrator and facilitator for the unauthorized insurance activities of SNC Insurance by requiring all franchisees to purchase insurance from SNC Insurance and instructing franchisees on the premium remittance and rebate process as part of the franchise agreement.
 - d) facilitating the unauthorized insurance activities of SNC Insurance by administering insurance premiums and rebates and by acting as the registered and/or mailing address of a financial account of SNC Insurance used for the receipt of premiums and payment of rebates.

THEREFORE the Superintendent is of the opinion that by the above acts or conduct:

- a) SNC Insurance Company (Barbados) Ltd. and George Voisin as director and officer and Trevor Thompson as director, and
- b) Stop 'N' Cash 1000 and Tim Voisin and Clive Metcalf, each as director and officer, and

are committing an act or pursuing a course of conduct that does not comply with the Act.

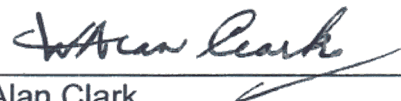
The Superintendent considers, pursuant to Section 238(1)(b) of the *Financial Institutions Act* that the length of time that would be required to hold a hearing would be detrimental to the due administration of the Act.

THEREFORE the Superintendent orders pursuant to Sections 244(2) and 238 of the *Financial Institutions Act* that SNC Insurance Company (Barbados) Ltd. and George Voisin and Trevor Thompson, and Stop 'N' Cash 1000 Inc. and Tim Voisin and Clive Metcalf

- 1 Cease from either directly or indirectly carrying on unauthorised insurance business in British Columbia.

TAKE NOTICE that SNC Insurance Company (Barbados) Ltd., George Voisin, and Trevor Thompson, and Stop 'N' Cash 1000 Inc., Tim Voisin, and Clive Metcalf may request a hearing or directly appeal this order under sections 238(2) and 242.2 of the *Financial Institutions Act*.

Dated at the
City of Vancouver,
Province of British Columbia
this 27th day of August, 2004.



W. Alan Clark
Superintendent of Financial Institutions
Province of British Columbia

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TO:

SNC Insurance Company (Barbados) Ltd.
c/o Ernst & Young Building, Bush Hill
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Barbados

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Clive Metcalf
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Tim Voisin
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Trevor Thompson
172 Long Bay
St. Philip, Barbados

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