

In the Matter of

**The *FINANCIAL INSTITUTIONS ACT*
(RSBC 1996, c. 141)
(the “Act”)**

and

**The *INSURANCE COUNCIL OF BRITISH COLUMBIA*
 (“Council”)**

and

**GEORGE LAY
(the “Licensee”)**

**DECISION AND ORDER
UNDER SECTIONS 231 & 238 OF THE ACT**

WHEREAS the Licensee currently holds a life and accident and sickness insurance licence in accordance with the Act;

AND WHEREAS on February 6, 2017, the British Columbia Securities Commission (the “BCSC”) ordered that several persons (the “Respondents”), which included the Licensee, be prohibited from engaging in investor relations activities; and that all persons, which included the Licensee, cease trading in, or be prohibited from purchasing, securities of nine specific entities;

AND WHEREAS the BCSC order stated that the Respondents have raised approximately \$36 million from over 300 investors; the BCSC attempted to stop the capital raising through undertakings with three of the Respondents; and the order is required to stop the Respondents from raising money while the BCSC completes its investigation;

AND WHEREAS the BCSC order stated that four months after the aforementioned undertakings were signed in December 2014, a new entity was incorporated in Alberta by two of the Respondents, and another \$16 million was raised by the Respondents from 105 investors, 101 of whom were from British Columbia;

AND WHEREAS Council has determined that to allow the Licensee to continue to hold an insurance licence in light of the allegations under investigation by the BCSC and its aforementioned order would not be in the public’s best interest and would undermine the public’s confidence in the insurance industry;

AND WHEREAS Council considers the length of time it would take to address this matter through an intended decision, pursuant to section 231 of the Act, would be detrimental to the due administration of the Act and the public's best interest;

NOW THEREFORE pursuant to sections 231 and 238 of the Act, Council orders that the life and accident and sickness insurance licence held by the Licensee is suspended effective the date of this order and until such time as the BCSC has completed its investigation of the Licensee, and the matter has subsequently been considered by Council.

TAKE NOTICE that, pursuant to section 238 of the Act, the Licensee has the right to require a hearing on this order before Council by delivering written notice within 14 days of receipt of this order to Council at Suite 300, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1; alternatively, the Licensee may appeal this order to the Financial Services Tribunal.

Dated in Vancouver, British Columbia, on the **23rd day of February, 2017.**



Dr. Eric Yung
Chairperson, Insurance Council of British Columbia

June 13, 2017

George Lay

On February 23, 2017, the Insurance Council of British Columbia (“Council”) issued an order, pursuant to section 238 of the *Financial Institutions Act* (the “Act”), suspending Mr. Lay’s life and accident and sickness insurance agent licence, pending the outcome of a hearing by the British Columbia Securities Commission.

On May 31, 2017, Mr. Lay’s life and accident and sickness insurance agent licence was terminated in accordance with Council Rules 7(11) and 7(16).

As Mr. Lay no longer holds a life and accident and sickness insurance agent licence, Council’s aforementioned order under section 238 of the Act is no longer applicable.