

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

**-AND-**

**IN THE MATTER OF CENTENNIAL INSURANCE COMPANY A.V.V.S.A.  
dba CIC INSURANCE COMPANY A.V.V.,  
SPECIAL RISK INSURANCE BROKERS LTD., and RAY WILLIE**

**Settlement Agreement**

THIS AGREEMENT dated for reference January 28, 2005

WHEREAS:

A. The Superintendent of Financial Institutions (the "Superintendent") made an order dated November 24, 2004 pursuant to Sections 244(2) and 238 of the Financial Institutions Act (the "Act") to the effect that Special Risk Insurance Broker Ltd. ("SRI") and Ray Willie ("Mr. Willie") cease from either directly or indirectly soliciting residents of British Columbia for insurance contracts on behalf of unauthorized businesses including Centennial Insurance Company A.V.V. S.A. dba CIC Insurance Company A.V.V. (the "Order").

B. SRI and Mr. Willie sought a hearing before the Superintendent pursuant to s.238(2) of the Act (the "Hearing").

C. The Superintendent and SRI and Mr. Willie have agreed to settle this matter on the terms set out herein.

NOW THEREFORE AND IN CONSIDERATION OF the settlement of this matter, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Superintendent and SRI and Mr. Willie agree as follows:


1. Upon receipt of a fully executed copy of this Agreement and the publication of the Notice of Compliance referred to below, Mr. Willie withdraws his request for the Hearing.

2. The Superintendent agrees that the Hearing with respect to SRI and Mr. Willie will be withdrawn without costs.
3. Subject to an inspection to be conducted of SRI's business by the Financial Institutions Commission on Wednesday, February 2, 2005 or a date otherwise agreed to between Mr. Willie and Rick Senum, an employee of the Financial Institutions Commission, the Superintendent will issue a Notice of Compliance stating that to the knowledge of the Superintendent, SRI and Mr. Willie are in compliance with the Order and that SRI and Mr. Willie, with respect to those issues dealt with by the Order, are currently in compliance with the Act.
4. SRI and Mr. Willie agree that they will not directly or indirectly solicit residents of British Columbia for insurance contracts on behalf of Centennial Insurance Company A.V.V.S.A. dba CIC Insurance Company A.V.V. ("CIC") and will only negotiate or procure insurance contracts issued by CIC if CIC is successful in its hearing with respect to the Order and then only in accordance with the Act.
5. The Superintendent agrees that, notwithstanding paragraph 4 above, with respect to those clients whose insurance business has already been placed with CIC, SRI and Mr. Willie may return premiums, when requested to do so, from any source available to them, other than the funds frozen pursuant to an Order to freeze property and assets under s.245 of the Act dated November 24, 2004.
6. The Superintendent agrees that SRI and Mr. Willie may negotiate or procure any insurance contracts, other than on behalf of CIC, only in accordance with the Act.
7. The Superintendent covenants and agrees that as against SRI and Mr. Willie and their respective executors, administrators, officers, directors, successors, and shareholders, it will not continue, bring, take or make any additional regulatory action under the Act, for or by reason of or arising out of facts and conduct as stated in the Order with regard to Willie and SRI in relation to soliciting as set out in section 76 of the Act, except if SRI or Willie are discovered to be in breach of the Order.
8. It is further understood and agreed that this Agreement is made with a denial by SRI and Mr. Willie that they were at any time committing an act or pursuing a course of conduct that did not comply with the Act and that nothing contained in or contemplated by this Agreement shall be construed or shall constitute an admission by SRI or Mr. Willie or their respective executors, administrators, officers, directors, successors, shareholders, related companies, parent or subsidiary companies, affiliates, assigns, servants, agents, solicitors, and employees.

9. The Superintendent will issue an amended Notice of Hearing to reflect the fact that CIC is the only remaining party.

IN WITNESS WHEREOF the parties have duly executed this Agreement to be effective as of the date first written above.


SIGNED, SEALED & DELIVERED by RAY )  
WILLIE in the presence of: )

  
\_\_\_\_\_) )  
Signature of Witness )


Name: ROBERT LERPINIÈRE )

Address: 368-7231 120 ST )  
DELTA BC V4C 6P5 )


Occupation: INSURANCE )  
BROKER )

  
\_\_\_\_\_) )  
RAY WILLIE )

SIGNED, SEALED and DELIVERED by )  
SPECIAL RISK INSURANCE BROKERS )  
LTD. by its authorized signatory: )

  
\_\_\_\_\_) )  
Authorized Signatory )

\_\_\_\_\_) )  
Authorized Signatory )

  
\_\_\_\_\_) )  
W. Alan Clark )  
Superintendent of Financial Institutions )  
Province of British Columbia )

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AND RAY WILLIE**

**NOTICE OF COMPLIANCE**

**TAKE NOTICE** to the knowledge of the Superintendent, **Special Risk Insurance Brokers Ltd. and Mr. Ray Willie** are in compliance with the Order issued by the Superintendent of Financial Institutions on November 24, 2004 as Amended December 21, 2004, under sections 244(2) and 238 of the *Financial Institutions Act* (the "Act") and with respect to those issues dealt with by that Order they are currently in compliance with the Act.

**DATED:** February <sup>15<sup>th</sup></sup>, 2005 at Vancouver, British Columbia

  
\_\_\_\_\_  
W. Alan Clark,  
Superintendent of Financial Institutions  
Province of British Columbia

PLEASE SEE NOTICE DATED DECEMBER 21, 2006.

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R.S.B.C. 1996, C. 141**

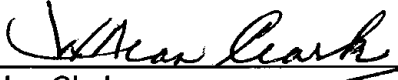
**-AND-**

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CIC INSURANCE COMPANY A.V.V.,  
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**NOTICE**

**TAKE NOTICE** that the Superintendent of Financial Institutions is no longer of the opinion that Special Risk Insurance Brokers Ltd. and Mr. Ray Willie were in compliance with the Order issued by the Superintendent of Financial Institutions on November 24, 2004 as Amended December 21, 2004, as of February 25, 2005 as well as on dates after that time.

**DATED:** December 21, 2006 at Surrey, British Columbia

  
\_\_\_\_\_  
W. Alan Clark,  
Superintendent of Financial Institutions  
Province of British Columbia

**ADVISORY**

Please note that "Richard Bell" in regards to CIC Insurance Company A.V.V. and Centennial Insurance Company A.V.V. S.A. refers to "Richard Locke Bell".