

*An order that is made regarding a licence holder reflects a situation at a particular point in time. The status of a licence holder can change. Readers should check the current status of a person's or entity's licence on the [Licensing Link](#) section of FSCO's website. Readers may also wish to contact the person or entity directly to get additional information or clarification about the events that resulted in the order.*



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**REGARDING** the *Mortgage Brokerages, Lenders and Administrators Act, 2006*, S.O. 2006, c.29 (the “Act”), in particular sections 7, 38 and 39

**AND REGARDING** First Cap Financial Services Inc. (“First Cap”)

**ADMINISTRATIVE MONETARY PENALTY ORDER**

First Cap is licenced under the Act as a mortgage brokerage.

On June 24, 2011, the Superintendent of Financial Services (“Superintendent”) issued a Notice of Proposal to Impose an Administrative Monetary Penalty. First Cap had until July 26, 2011, after service of the Notice, to request a hearing before the Financial Services Tribunal (“Tribunal”) in accordance with the Act.

The Registrar of the Tribunal has confirmed that no request for a hearing has been received from First Cap, or anyone on the brokerage’s behalf, in respect of the proposal to impose the administrative monetary penalty.

The Superintendent is satisfied that:

1. First Cap is contravening or not complying with or has contravened or failed to comply with section 7(4) of the Act and section 42 of Regulation 188/08, in that First Cap failed to have errors and omissions (“E&O”) insurance as required for the period from April 1, 2010 to the present.
2. First Cap failed to respond or provide information to the Superintendent in response to requests concerning First Cap’s E&O coverage, in breach of section 29(2) of the Act.

Section 39(7) of the Act provides that the Superintendent may carry out the proposal to impose an administrative monetary penalty when no hearing has been requested.

**ORDER**

**Administrative monetary penalties are imposed on First Cap Financial Services Inc. as follows:**

- **\$1,500.00 in respect of the failure to have E&O insurance;**
- **\$1,500.00 in respect of the failure to respond to the Superintendent.**

TAKE NOTICE THAT First Cap will be receiving shortly an invoice from Ontario Shared Services, a part of the Ministry of Government Services, with information as to where and how to make the payment. First Cap must pay the administrative monetary penalty no later than 30 days after the date of the invoice.

If First Cap fails to pay the administrative monetary penalty in accordance with the terms of this Order, the Superintendent may file the Order with the Superior Court of Justice and this Order may be enforced as if it were an order of the court. An administrative monetary penalty that is not paid in accordance with the terms of an order imposing the penalty is a debt due to the Crown and is enforceable as such.

**DATED** at Toronto, Ontario, August 5, 2011.

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Philip Howell  
Superintendent of Financial Services