

IN THE MATTER OF
the *Direct Sellers Act*
R.S.N.B. 2011, c.141, as amended

- and -

IN THE MATTER OF
Sun Kissed Energy Incorporated
(Respondent)

REASONS FOR DECISION

Date of Suitability Notice: April 23, 2026

Date of Opportunity to be Heard: In-person hearing waived as Licensee did not respond

Date of Reasons for Decision: May 25, 2026

Heard Before

Alaina M. Nicholson
Director of Consumer Affairs

INTRODUCTION

- [1] This matter came to the Director of Consumer Affairs (Director) as a result of a recommendation by Commission Staff (Staff) of the Financial and Consumer Services Commission (Commission) that Sun Kissed Energy Incorporated (Licensee) were not suitable for licensure. The *Direct Sellers Act*, R.S.N.B. 2011, c. 141 (Act) provides that the Director may suspend a license if the person who holds the licence violates a provision of the Act or if in the opinion of the Director, has demonstrated the person's incompetency or untrustworthiness to carry on the business in respect of which the licence of that person was granted.
- [2] Under subsection 17(1.1) of the Act, the Director shall not suspend or cancel a licence without giving the holder of the licence an opportunity to be heard.

THE LICENSEE

- [3] The Licensee is a federally registered company, based in Nova Scotia and extra-provincially registered in New Brunswick since September 20, 2024.
- [4] The New Brunswick Corporate Registry lists Mark Shelley (Mr. Shelley) as the sole director of the Licensee and based on information obtained from Corporate Registry, he has been the sole director since October 2, 2020.
- [5] The Licensee has been licensed as a vendor under the Act since May 6, 2025, to supply and install "solar photovoltaic systems" (as stated in the licence application).
- [6] The Licensee has no salespersons licensed under the Act to conduct direct selling business in New Brunswick on behalf of the Licensee.

COMPLAINTS

- [7] On February 19, 2026, Staff received a complaint from a New Brunswick consumer (First Consumer) regarding a direct sales contract for a solar installation (Solar Agreement) entered with the Licensee on January 20, 2025.
- [8] The Solar Agreement outlined the price, payment and financial terms. The terms included that a contractor would conduct a site visit and gather technical information to assist the consumer to apply for a federal government rebate program (e.g., power usage, electrical panel, site dimensions). To avail of this program, a Home Energy Assessment must be booked and the homeowner must apply for the Canada Greener Homes (CGH) federal government loan and rebate program. A contractor would obtain the required permits (e.g., from NB Power), and utility approval by the contractor would be secured before installation begins. The payment and financial terms indicated that the payments are staged: 40% was due at signing was financed. Another 15% was due upon CGH program approval. The balance was due upon completion. Once approvals and financing are in place, the contractor will install the system (panels, wiring, inverters, etc.) within a "reasonable time".
- [9] The Licensee acted as a credit broker for the First Consumer and arranged bridge financing to pay for the installation through Financelt (a registered credit grantor in New Brunswick). The Solar Agreement indicated that the Financelt bridge financing would be paid by CGH to avoid

interest. The First Consumer stated in their complaint that the Licensee, his Finance Manager, and Sales Lead had also verbally assured them that they would never pay interest on the Financelt bridge loan, as the installation would be completed and the CGH funds would be released to pay off the Financelt bridge financing well before the interest kicked in.

- [10] The financing agreement provided by Financelt was an open credit agreement approved with a \$40,000 credit limit that would cover the cost of the contract (\$37,639.28). The agreement stated that access to the credit limit would be available for a 6-month “purchase period” at 0% interest during the first 3 months.
- [11] The First Consumer indicated in their complaint that they had approved Financelt to release the funds to the Licensee for the 40% downpayment in late March 2025.
- [12] The First Consumer also indicated that all required applications, approvals and permits were obtained by June 2025 and that installation had been repeatedly promised by the Licensee over the summer months.
- [13] The First Consumer stated they had a phone call (and subsequent follow up email) with the Licensee and some of his associates on November 25, 2025. The First Consumer stated that the Licensee indicated during this call that they had hired a subcontractor and promised installation in January 2026. The First Consumer indicated that during this call the Licensee pressured them to release the remaining funds from the Financelt loan even though the install work hadn’t started. The First Consumer indicated that they follow up email from the Licensee’s Project Manager indicated that approving the release of funds will prevent the loan from “passing its deadline and will provide us with a 90-day interest-free window.”
- [14] On December 12, 2025, the First Consumer claims they received a call from the Project Manager of the Licensee who assuring them of installation in January and who stated again that the loan would be interest free for 90 days, which would give the CGH loan time to kick in. After this call, the First Consumer authorized Financelt to release the funds to cover the remaining cost of the solar agreement.
- [15] Over the month of January 2026, the First Consumer claims they repeatedly sought confirmation of an installation date amid growing urgency due to “expiring financing”. They claim that the Licensee acknowledged ongoing delays, offered assurances and credits, and indicated the project would be expedited despite unresolved scheduling.
- [16] By mid-February the First Consumer claims that their text messages to the Licensee were undeliverable, phone calls went to disconnected numbers, and emails received out of office responses.
- [17] On February 19, 2026, the First Consumer contacted the Commission to file a complaint against the Licensee. Staff advised the First Consumer they may have cancellation rights under section 22 of the Act, since the contracted goods and services were not provided and the Licensee was not licensed under the Act when the contract was signed. Pursuant to subsection 22(6) staff engaged with Financelt and explained that the First Consumer had not received the solar product from the Licensee and were exercising their rights to cancellation and which includes cancelling the credit agreement. Financelt honoured the cancellation request and discharged the First Consumer from the credit agreement.

- [18] On March 3, 2026, Staff received a second complaint from a New Brunswick consumer (Second Consumer) who entered into a direct sales solar agreement with the Licensee in July 2025. The Second Consumer advised much like the First Consumer that the Licensee brokered a bridge loan with Financelt which the Second Consumer used to pay a down payment of \$10,637.86 toward a total project cost of \$26,594.65. The Second Consumer obtained approval for the CGH in September 2025; however, the Licensee repeatedly delayed installation, missed project deadlines, and attributed those delays to subcontractors.
- [19] According to the Second Consumer, by February 2026, the Licensee ceased responding to their telephone calls and emails and its website became non-operational. Because approval under the CGH was time-limited, the Second Consumer sought to retain an alternative solar installation provider but was unable to reach the Licensee. Staff advised the Second Consumer of their right to cancel the contract under section 22 of the Act, as the Licensee failed to provide the contracted goods and services within 30 days of the contract date. On March 31, 2026, Staff notified Financelt of the Second Consumer's rights under subsection 22(6) of the Act, and Financelt cancelled the credit agreement.
- [20] On March 26, 2026, Staff received a third complaint from a New Brunswick consumer (Third Consumer) who entered a direct sales solar agreement with the Licensee in May 2025. The Licensee brokered a bridge loan with Financelt which the Third Consumer used to pay a down payment of \$12,583.36. Staff again advised the Third Consumer of their cancellation rights under section 22 of the Act, as the Licensee failed to provide the contracted goods and services. On March 31, 2026, the Third Consumer wrote to the Licensee to cancel the contract on that basis. Staff notified Financelt of the Third Consumer's rights under subsection 22(6) of the Act, and Financelt cancelled the credit agreement.
- [21] On April 6, 2026, Staff received a fourth complaint from a New Brunswick consumer (Forth Consumer) who entered a direct sales solar agreement with the Licensee in June 2025. The Forth Consumer paid a \$15,967.54 down payment with the bridge loan brokered by the Licensee through Financelt. The Forth Consumer reported that as of April 6, 2026, they have had no communication with the Licensee and have not received their Solar Product. Staff notified Financelt regarding the consumers' rights under subsection 22(6) of the Act. Financelt cancelled the credit agreement.
- [22] On April 8, 2026, Staff received a fifth complaint from a consumer (Fifth Consumer) who entered a direct sale solar agreement with the Licensee in August 2025. The Fifth Consumer paid \$13,919.20 down payment with the bridge loan brokered by the Licensee through Financelt but did not receive the Solar Product. Staff notified Financelt regarding the consumers' rights under subsection 22(6) of the Act. Financelt cancelled the credit agreement.
- [23] On April 9, 2026, Staff received a sixth complaint (Sixth Consumer) from a consumer who entered a solar agreement with the Licensee in 2025. The Sixth Consumer paid a \$14,700 down payment with a bridge loan brokered by the Licensee through Financelt. The Sixth Consumer stated that no work was completed on their solar project, no panels were delivered, no installation or physical work occurred, and the project did not progress beyond administrative steps. According to the Sixth Consumer, the Licensee stopped responding and appears to have ceased operations altogether. Prior to contacting the Commission, the Sixth Consumer filed a dispute with Financelt, which paused payments, flagged the account, and confirmed no negative

credit reporting during the investigation. On April 9, 2026, after contacting the Commission, the Sixth Consumer advised Staff that Financelt had contacted them directly and confirmed their loan had been cancelled and that Financelt would refund any payments made.

- [24] On April 13, 2026, Staff received the seventh complaint from a consumer (Seventh Consumer) who reported paying \$40,000 in cash to the Licensee in March 2025 upon entering a direct sales solar agreement. The Seventh Consumer reported that no solar installation services were provided and that the Licensee ceased communicating.

BACKGROUND

- [25] Staff became aware of two CBC news articles dated February 9 and 27, 2026, concerning the Licensee. The articles reported that the Licensee had been removed from Solar Nova Scotia (an industry association) following customer complaints alleging that consumers had paid for solar installations that had not been delivered. The articles further reported that the Licensee indicated they were undergoing a restructuring process due to financial difficulties, including the layoff of staff, the loss of financing partners, and the existence of multiple legal actions commenced by suppliers and contractors. The articles also noted that some customers were reportedly required to begin repaying loans related to their solar installations despite not having received the contracted solar systems.
- [26] On March 19, 2026, Staff emailed the Licensee requesting copies of direct sales contracts entered with New Brunswick consumers, setting a deadline of March 26, 2026. Mr. Shelley responded on the same day and supplying his direct phone number. Although Staff attempted to contact Mr. Shelley's via phone, they were unable to establish contact.
- [27] On March 25, 2026, Staff sent a follow-up request via email regarding the direct sales contracts. Mr. Shelley responded in an email, indicating "I tried calling. SK [Sun Kissed – the Licensee] is now being managed by the bank. I will reach out and try to get this for you. I apologize for the delay".
- [28] On March 27, 2026, after having received several complaints and no further response from the Licensee, Staff contacted the credit grantor (Financelt) that the Licensee had used to broker the bridge loans to consumers. Financelt was asked to supply copies of all financing agreements approved for the Licensee, involving New Brunswick consumers between February 1, 2025, and March 27, 2026, to determine the scope of consumer impact arising from the Licensee's conduct.
- [29] On March 31, 2026, Financelt provided Staff with a spreadsheet identifying approximately 26 consumers potentially affected by the Licensee's conduct. Financelt also provided Staff with a designated contact to facilitate communication when the Commission received consumer complaints.
- [30] On April 9 and April 10, 2026, Staff sent additional correspondence to the Licensee requesting:
- a) an update regarding the Licensee's business operations;
 - b) copies of all New Brunswick direct sales contracts that the Licensee entered into since January 2025; and

c) an overview of the number of unfulfilled direct sales contracts the Licensee entered into in New Brunswick.

Those emails were returned to Staff as undeliverable.

- [31] On April 10, 2026, Staff left Mr. Shelley a voicemail requesting a return call.
- [32] Despite these repeated requests, the Licensee did not provide information or documentation to the Commission.
- [33] The Licensee had failed to provide requested documentation to the Commission and was no longer responding to the Commission and/or consumers. As such, on April 23, 2026, Staff issued a written notice to the Licensee stating that they were recommending the cancellation of the Licensee's licence to the Director on suitability grounds, which included concerns about trustworthiness and violations under subsections 17(1)(a) and (d) of the Act.
- [34] The notice advised the Licensee of the right to an opportunity to be heard, including:
- a) that it was an opportunity for them to provide any additional information or rationale to aid the Director in reviewing suitability for licensure;
 - b) that they had a right to bring legal counsel to the opportunity to be heard; and
 - c) that they had a right to disclosure of all information considered by Staff in determining they were unsuitable for licensure and all information put before the Director for consideration.
- [35] The notice stated that if the Licensee did not reply in writing by May 7, 2026, the Director would render a decision based on the information on file.
- [36] The notice was sent by email. Although the email notification was acceptable under the *Electronic Transactions Act*, Staff decided to exercise caution and send the notice via registered mail as well.
- [37] The notice was sent via registered mail to the Licensee business address. It was returned as undeliverable, the address for service was identified as vacant.
- [38] The notice was sent to the personal address of the Licensee Director, Mr. Shelley, which was refused.
- [39] The notice was also sent through registered mail to the address for service provided by the Licensee, pursuant to subsection 8(1) of the Act:
- 8(1) An application under subsection 7(1) shall state the applicant's address for service in the Province, and any notice given under this Act is deemed for all purposes to be served if delivered or sent by registered mail to the licensee at that address, unless the licensee has notified the Director in writing of a change of address for service under section 15.*
- [40] On May 4, 2026, after receiving returned mail, Staff resent the notice to the address for service identified in the New Brunswick corporate registry. The registered mail was successfully delivered to the address on May 8, 2026. To date Staff have not heard from the Licensee or any representative of the Licensee.

THE COMMISSION'S MANDATE

- [41] The *Financial and Consumer Services Act*, in subsection 2(a), provides that the purpose of the Act is to “*enable the Commission to provide regulatory services that protect public interest and enhance public confidence in the regulated sectors...*”.
- [42] The *Financial and Consumer Services Act*, in paragraph 12(2)(b), provides that “*the Commission shall ... administer financial and consumer services legislation,*” which as per subsection 1(i) includes the *Direct Sellers Act*.
- [43] Consumer protection is a fundamental consideration and a key purpose of the Commission’s mandate. It is a key responsibility of the Director, as the gatekeeper to the industry, to determine the suitability of an applicant or a licensee to operate in the sector.

THE PROCESS OF DETERMINING SUITABILITY

- [44] The Commission’s role in protecting the public and enhancing public confidence in the financial marketplaces which it regulates includes ensuring that those carrying on business in the industry are competent and trustworthy. It also includes ensuring that when a licence is granted and/or held, any potential risks to consumers are minimized.
- [45] Honesty, integrity and trustworthiness are essential character traits in Direct Sales licensing. Ensuring these character traits are present provides consumers with confidence in the industry. It is important that consumers feel assured that a licensed vendor will act with honesty and integrity they are being solicited in their home.
- [46] For direct sellers, acting with honesty, integrity, and trustworthiness includes, at a minimum, refraining from engaging in conduct that may expose consumers to potential harm or exploitation.
- [47] Section 17 of the Act provides grounds for which the Director may suspend or cancel a licence:
- 17(1) *The Director may suspend or cancel a licence held under this Act if the person who holds the licence*
[...]
(a) *violates a provision of this Act or fails to comply with a term, condition or restriction to which the licence of that person is subject,*
- (d) *in the opinion of the Director, has demonstrated the person’s incompetency or untrustworthiness to carry on the business in respect of which the licence of that person was granted.*
- [48] The determination under paragraph 17(1)(a) and (d) is that the licensee has violated the Act and demonstrated incompetency or untrustworthiness to carry on business in respect of the licence, such that the Licensee is not suitable for licensure.

ANALYSIS

- [49] A licence approved by the Commission provides assurance to New Brunswick consumers that the licensee is reputable and may be trusted in their given profession. The question being asked is, if a licensee is continued to be licensed does it leave consumers exposed to potential harm or exploitation.
- [50] Companies and individuals working in the direct sales industry, who are asking people to open their doors so they may sell products or services to them within the safety of their homes, need to behave in a competent and trustworthy manner.
- [51] While the Licensee did obtain the required vendor licence under the Act, they failed to properly licence individual salespeople to perform direct sales. Under paragraph 22(2)(a) of the Act consumers are provided with extended cancellation rights when they enter into direct sales contracts with unlicensed salespeople.
- [52] Pursuant to subsection 24.12(3) of the Act, a compliance officer may, for the purpose of determining compliance with the Act and the regulations, require a vendor to produce books, records, or documents relating to the business or affairs of the vendor. Subsection 24.22(1) of the Act prohibits any person from obstructing or interfering with a compliance officer who is carrying out a compliance review, including by withholding or refusing to produce information reasonably required for the purposes of that review.
- [53] Staff exercised their authority under subsection 24.12(3) of the Act by requiring the Licensee to produce books, records, and documents relating to its business affairs. The Licensee failed to provide the requested information. Staff determined that this failure constituted an obstruction of a compliance review, contrary to subsection 24.22(1) of the Act.
- [54] The Commission received complaints that highlight serious concerns about the Licensee's conduct in the direct sales industry. These allegations claim that the solar panels were never installed. Subparagraphs 22(2)(d)(i) and (ii) of the Act stipulate that should goods and services not be delivered or commenced to be delivered within 30 days of the contract, the consumer has a right to cancel. The Licensee must respond to their requests, according to section 24 of the Act. The Licensee violated the Act by failing to supply the contracted goods and services.
- [55] The Licensee has not displayed a willingness to discuss or provide a response to the complaints and the Staff's recommendation is to cancel their licence.

DECISION

- [56] I find the complaints demonstrate the Licensee is not trustworthy and incompetent and not suitable for licensure.
- [57] After careful consideration of the particular facts of this matter, I have concluded that a Direct Sellers licence continuation would reduce public confidence. The conduct of the Licensee has demonstrated that the Licensee is not suitable to carry on business under the *Direct Sellers Act*. In that regard, in the public interest, I am revoking licensure in this industry for the reasons detailed above and in accordance with paragraphs 17(1)(a) 17(1)(d) of the Act.

[58] If the Licensee is dissatisfied with this decision, they have the right to appeal to the Tribunal as provided in subsection 21(1) of the Act. The deadline for filing an appeal is 30 days from the issuance of the Decision. The New Brunswick Energy and Utilities Board can provide their Rules of Procedure or answer any questions regarding the hearing process.

DATED at Fredericton, New Brunswick this 25 day of May 2026.

Original decision signed by Alaina M. Nicholson

Alaina M. Nicholson
Director, Consumer Affairs Division
Financial and Consumer Services Commission