

**In the Matter of**

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

**and**

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

**and**

**KATHARINE RACHAEL MAE STYLES  
(the “Licensee”)**

## **ORDER**

As Council made an intended decision on February 11, 2014, pursuant to sections 231, 236, and 241.1 of the Act; and

As Council, in accordance with section 237 of the Act, provided the Licensee with written reasons and notice of the intended decision dated March 27, 2014; and

As the Licensee has not requested a hearing of Council’s intended decision within the time period provided by the Act;

Under authority of sections 231, 236, and 241.1 of the Act, Council orders:

1. The Licensee’s general insurance licence is suspended for a period of eight months.
2. The Licensee is assessed Council’s investigative costs of \$625.00.
3. A condition is imposed on the Licensee’s general insurance licence that requires her to pay the above-ordered investigative costs by **July 15, 2014**. If the Licensee does not pay the ordered investigative costs by this date, and if they remain unpaid as of **December 28, 2014**, the Licensee’s general insurance licence will remain suspended and the Licensee will not be permitted to complete any annual filing, until such time as the ordered costs are paid in full.

The Licensee’s suspension will begin on **April 30, 2014** and end on **December 29, 2014** at midnight.

Order  
Katharine Rachael Mae Styles  
185313-11478  
April 15, 2014  
Page 2 of 2

This order takes effect on the **15<sup>th</sup> day of April, 2014.**



---

Rita Ager, CFP, CLU, CHS, CPCA, FEA  
Chairperson, Insurance Council of British Columbia

## **INTENDED DECISION**

of the

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

respecting

**KATHARINE RACHAEL MAE STYLES**  
(the “Licensee”)

### **INTRODUCTION**

Pursuant to section 232 of the *Financial Institutions Act* (the “Act”), Council conducted an investigation to determine whether the Licensee acted in compliance with the requirements of the Act. In particular, Council considered an allegation the Licensee accessed the Insurance Corporation of British Columbia’s (“ICBC”) database for purposes other than an insurance transaction, contrary to Council Rules 7(1) and 7(8).

An investigation report was reviewed by Council at its February 11, 2014 meeting. At the conclusion of its meeting, Council determined the matter should be disposed of in the manner set out below.

### **PROCESS**

Pursuant to section 237 of the Act, Council must provide written notice to the Licensee of the action it intends to take under sections 231, 236, and 241.1 of the Act before taking any such action. The Licensee may then accept Council’s decision or request a formal hearing. This intended decision operates as written notice of the action Council intends to take against the Licensee.

### **FACTS**

The Licensee is a Level 1 general insurance salesperson (“Salesperson”) and has been licensed since July 27, 2011. She worked at the same agency location (the “Agency”) from November 29, 2011 until being terminated by the Agency on September 19, 2013, as a result of her actions set out below. The Licensee subsequently reactivated her Salesperson licence with another agency in January 2014.

On October 19, 2011, the Licensee provided the Agency a signed copy of Council Notice 09-003 pertaining to unauthorized access to ICBC's database, as acknowledgement that she had read it. In 2012, the Licensee completed ICBC's "*Privacy Please*" course.

On Sunday, August 25, 2013, the Licensee was working at the Agency's Langley branch office. During her shift, the Licensee was communicating by text message on her cellular phone with a friend. She became curious about how much this friend received as a Claim-Rated Scale ("CRS") discount on his vehicle insurance with ICBC. The Licensee wanted to see if there was a way to assist her friend to get a better discount on his vehicle insurance.

Using the friend's vehicle license plate number, which the Licensee obtained from a picture on her cellular phone, and the letters of her friend's name, she accessed his information on ICBC's database. The Licensee established the friend was receiving a 15 percent CRS discount and proceeded to send him a text message asking why his CRS discount was not higher. The Licensee's friend was upset with the Licensee when he found out that she had accessed his information without his permission.

Approximately three weeks later, the Licensee informed her manager at the Agency of her aforementioned conduct. The Licensee claimed that she was trying to help her friend but realized, in hindsight, that she was wrong to access his information without his permission. The Agency dismissed the Licensee based on her actions.

## ANALYSIS

Council considered the actions of the Licensee and determined the Licensee had breached Council Rules 7(1) and 7(8), by accessing ICBC's database to obtain information about a third party without that person's permission.

Council noted that the Licensee had completed ICBC's "*Privacy Please*" course and was aware of Council's Notice pertaining to unauthorized access to ICBC's database. Council determined the Licensee knew, or ought to have known, that her actions were inappropriate. Council also found that the Licensee's conduct was aggravated by the fact that she accessed ICBC's database, without authorization, for purposes other than conducting an insurance transaction.

Council considered the precedent *A. Kulkarni*. In *A. Kulkarni*, the licensee accessed and obtained information about the ICBC president from ICBC's database, without authorization. The licensee was curious to know what kind of car the ICBC president drove. The licensee, on multiple occasions, denied accessing ICBC's database for this purpose. Later, the licensee admitted the access but claimed he felt there was no harm in accessing such information provided he kept it confidential. Further, the licensee accessed the ICBC president's information at a time when he was also conducting unrelated insurance business contrary to his Salesperson's licence conditions. The licensee received an 18-month licence suspension, a \$1,000.00 fine, and was assessed Council's investigative costs of \$612.50.

The confidentiality of the public's personal information is a cornerstone of the insurance industry and Council believes a strong deterrent is called for when a breach of the public's personal information occurs. In considering the Licensee's conduct, Council took into consideration that the Licensee was forthcoming to her employer and during Council's investigation, which differentiated this matter from *A.Kulkarni*. Council determined that a licence suspension of one year was appropriate in the circumstances, but took into account that the Licensee was terminated from the Agency as a result of her actions and was unemployed for approximately four months. Consequently, Council determined the Licensee should receive a licence suspension of eight months and be assessed Council's investigative costs.

### **INTENDED DECISION**

Pursuant to sections 231, 236, and 241.1 of the Act, Council made an intended decision to:

1. Suspend the Licensee's general insurance licence for a period of eight months.
2. Assess the Licensee Council's investigative costs of \$625.00.

The Licensee is advised that should the intended decision become final, the investigative costs will be due and payable within 90 days of the date of the order. If the ordered investigative costs are still outstanding after the 90 days, the Licensee will not be permitted to complete any annual filing until such time as the costs are paid in full. If the ordered investigative costs are still outstanding once the licence suspension is served, the Licensee's licence will remain suspended until such time as the costs are paid in full.

The Licensee's suspension will begin on **April 30, 2014**, and end on **December 29, 2014** at midnight.

The intended decision will take effect on **April 15, 2014**, subject to the Licensee's right to request a hearing before Council pursuant to section 237 of the Act.

### **RIGHT TO A HEARING**

If the Licensee wishes to dispute Council's findings or its intended decision, the Licensee may have legal representation and present a case at a hearing before Council. Pursuant to section 237(3) of the Act, to require Council to hold a hearing, the Licensee must give notice to Council by delivering to its office written notice of this intention by **April 14, 2014**. A hearing will then be scheduled for a date within a reasonable period of time from receipt of the notice. Please direct written notice to the attention of the Executive Director.

Intended Decision  
Katharine Rachael Mae Styles  
185313-I1478  
March 27, 2014  
Page 4 of 4

If the Licensee does not request a hearing by **April 14, 2014**, the intended decision of Council will take effect.

Even if this decision is accepted by the Licensee, pursuant to section 242(3) of the Act, the Financial Institutions Commission still has a right to appeal this decision of Council to the Financial Services Tribunal ("FST"). The Financial Institutions Commission has 30 days to file a Notice of Appeal, once Council's decision takes effect. For more information respecting appeals to the FST, please visit their website at [www.fst.gov.bc.ca](http://www.fst.gov.bc.ca) or contact them directly at:

Financial Services Tribunal  
PO Box 9425 Stn Prov Govt  
Victoria, British Columbia  
V8W 9V1

Reception: 250-387-3464  
Fax: 250-356-9923  
Email: [FinancialServicesTribunal@gov.bc.ca](mailto:FinancialServicesTribunal@gov.bc.ca)

Dated in Vancouver, British Columbia, on the **27<sup>th</sup> day of March, 2014**.

For the Insurance Council of British Columbia



---

Gerald D. Matier  
Executive Director

GM/ig