

In the Matter of the

FINANCIAL INSTITUTIONS ACT, RSBC 1996, c.141

(the “Act”)

and the

INSURANCE COUNCIL OF BRITISH COLUMBIA

(“Council”)

and

RILANNE SIMONE PARDY

(the “Licensee”)

ORDER

As Council made an intended decision on January 30, 2024, 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 February 22, 2024; and

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

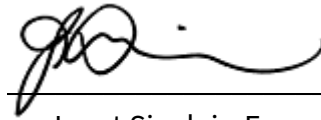
Under authority of sections 231, 236, and 241.1 of the Act, Council orders that:

- 1) The Licensee’s general insurance licence is suspended, commencing on March 14, 2024, until such time that the certificate of authority revocation period imposed by the Alberta Insurance Council has passed and the Licensee has otherwise demonstrated full completion of the Alberta Insurance Council’s disciplinary terms;
- 2) A condition is imposed on the Licensee’s general insurance licence that requires the Licensee to complete the Council Rules Course for general insurance and adjusters, prior to the licence suspension being lifted; and

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- 3) The Licensee is assessed Council's investigation costs of \$787.50, to be paid by June 12, 2024, and which must be paid in full prior to the Licensee's suspension being lifted.

This order takes effect on the **14th day of March, 2024**



Janet Sinclair, Executive Director
Insurance Council of British Columbia

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA

(“Council”)

respecting

RILANNE SIMONE PARDY

(the “Licensee”)

1. Pursuant to section 232 of the *Financial Institutions Act* (the “Act”), Council conducted an investigation to determine whether the Licensee had acted in compliance with the requirements of the Act, Council Rules, and Code of Conduct, in regard to findings made by the Alberta Insurance Council (the “AIC”) that the Licensee had submitted a fraudulent automobile insurance claim on her own policy.
2. On November 28, 2023, as part of Council’s investigation, a Review Committee (the “Committee”) comprised of Council members met via video conference to discuss the investigation. The Licensee was invited to attend the Committee meeting but chose not to appear. An investigation report prepared by Council staff was distributed to the Licensee and Committee prior to the meeting. Having reviewed the investigation materials and discussed the investigation, the Committee prepared a report for Council.
3. The Committee’s report, along with the aforementioned investigation report, were reviewed by Council at its January 30, 2024 meeting, where it was determined the matter should be disposed of in the manner set out below.

PROCESS

4. 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.
5. 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

6. The Licensee has been licensed with Council as a Level 2 general insurance agent (“Level 2 Agent”) since February 2021. Her licence with Council has been in inactive status since July 30, 2023.
7. The Licensee has held a Level 2 Agent certificate of authority with the AIC since 2006.
8. On October 20, 2022, Council received an Investigative Summary Report that had been prepared by an insurer, which alleged that the Licensee had submitted a fraudulent claim on her own policy. At that time, Council did not pursue the matter as the alleged fraudulent claim had occurred in Alberta, and it was known that the AIC was aware of the misconduct.
9. On November 10, 2022, Council issued a letter to the Licensee informing her that the matter was not being actively pursued, and also advising her that she was required by the Council Rules to notify Council within five business days if she was disciplined by the AIC or another regulator.
10. On July 12, 2023, the AIC released a disciplinary decision in which it concluded that the Licensee had submitted a fraudulent automobile claim on her own policy, particularly by providing false information about who was driving the vehicle at the time of the relevant incident. The AIC found that the Licensee’s misrepresentations were intentional and amounted to “fraud, deceit, dishonesty, untrustworthiness and/or misrepresentation as contemplated by s. 480(1)(a) of the [Alberta Insurance] Act.” The AIC revoked the Licensee’s certificate of authority for a one-year period, and also levied a \$5,000 civil penalty against her, to be paid within 30 days.
11. The Licensee did not notify Council of the AIC’s disciplinary decision. In response to questions from Council staff about why she had not notified Council of the discipline, as required by Council Rule 7(3)(a)(i), the Licensee explained that she had forgotten about the requirement due to the stress experienced at the time.

ANALYSIS

12. Council has determined that this is a situation to which its reciprocal enforcement policy (Notice ICN 16-005 – “Suitability of Insurance Licensees who are the Subject of Enforcement Action by another Financial Services Regulator”) applies. The relevant provision of the policy reads as follows:

If an insurance licensee’s licence or registration with another financial services regulator is suspended, terminated, or otherwise ended for a period of one or more years, Council will

immediately take equivalent action against the licensee, regardless of the reasons for the other regulator's decision.

13. The Licensee has been suspended by the AIC – “another financial services regulator” – for a one year period. As such, it is appropriate for Council to take “equivalent action.”
14. The Licensee’s conduct, as described in the AIC’s disciplinary decision, amounts to breaches of the Code of Conduct. By providing false statements and attempting to mislead her insurer, the Licensee breached sections 3 (“Trustworthiness”), 4 (“Good Faith”), and 8 (“Usual Practice: Dealing with Insurers”).
15. Council recognizes that the AIC has thoroughly investigated this matter, and that the Licensee is already facing the consequences of her misconduct through the Albertan discipline. As such, Council takes the position that its role in this case should primarily be a reactive one, determining what action should be taken in light of the AIC’s decision, rather than attempting to “re-prosecute” the Licensee for conduct for which she has already been disciplined.

PRECEDENTS

16. Prior to making its decision, Council took several of its past decisions involving licensees who made fraudulent claims on their own policies into consideration as precedents.
17. [Jaspreet Jason Singh Minhas](#) and [Jasbir \(Jesse\) Singh Minhas](#) (March 2023): concerned a father and son who were both licensees. The father, Jasbir, was a Level 2 Agent, while the son, Jaspreet, was a Level 1 general insurance salesperson (“Level 1 Salesperson”). Jaspreet was a driver involved in a collision and misled both the Insurance Corporation of British Columbia (“ICBC”) and law enforcement about who was driving the vehicle. Jasbir also misled ICBC and law enforcement, falsely alleging that he, rather than Jaspreet, had been driving the vehicle. Jaspreet was suspended for nine months, was made ineligible to upgrade to Level 2 for one year following the suspension, and was required to take an ethics course as well as the Council Rules Course. Jasbir was suspended for one year, had his licence downgraded to Level 1 for a year following the suspension, and was required to take the Council Rules Course, an ethics course, and a course for nominees. Both were also assessed investigation costs.
18. [Harpal Kaur Sandhu](#) (August 2022): concerned a life and accident and sickness insurance agent who made three fraudulent claims for total disability on her own policies. Council ordered that her licence

be suspended for one year, fined her \$7,500, required her to complete the Council Rules Course and a disability insurance course, and assessed investigation costs.

19. [Paramjeet Kaur Johal](#) (June 2022): concerned a life agent who made fraudulent disability claims on her own policies. Council ordered that the licensee's licence be suspended for one year, fined her \$5,000, required her to complete the Council Rules Course, and assessed investigation costs.
20. [Martin Hroch](#) (February 2020): concerned a former Level 1 Salesperson who submitted at least 76 fraudulent insurance claims through his agency's employee health and wellness program. The amount claimed in each instance ranged from \$25 to \$75, leading to a total of \$3,045 received fraudulently. Council ordered that no application for a licence would be considered from the former licensee for five years, fined him \$5,000, and assessed investigation costs.
21. [Allen Ton-Ming Fu](#) (November 2018): concerned a Level 2 Agent who purchased a new vehicle. While processing his own ICBC transaction, a message about his prior ICBC claim history appeared on his screen; there were five previous claims affecting his Claims Rate Scale. Without receiving approval from ICBC, the licensee altered the claims, changing three to "repaid" and two to "affecting other vehicle." Council considered the licensee's conduct to be "self-serving and undertaken for personal gain." He was suspended for one year, required to complete an ethics course, and assessed investigation costs.
22. Given that the AIC was the primary regulator that dealt with this matter, the reviewed precedents had less bearing on Council's determination that they otherwise might have. Nevertheless, the precedents satisfied Council that the AIC's disciplinary terms were in line with Council's own precedents involving similar conduct.

CONCLUSION

23. Council believes that it is appropriate and in the public interest for the Licensee's licence to be suspended until such time that the revocation period for her Albertan certificate of authority has passed, and she has otherwise fully complied with the AIC's disciplinary terms. Council recognizes that the Licensee made her British Columbian licence inactive in July 2023, approximately two weeks after the AIC's decision was issued. She has not conducted insurance business in British Columbia since that time. Given the inactive status of the Licensee's licence since July 2023, Council does not think it necessary to suspend her past the point that her AIC discipline is completed.

24. Due to the fact that the Licensee failed to notify Council of the AIC's discipline, as is required by Council Rule 7(3)(a)(i), Council considers it appropriate that she be required to complete the Council Rules Course prior to her licence suspension being lifted.
25. Council intends to assess its investigation costs to the Licensee. As a self-funded regulatory body, Council looks to licensees who have engaged in misconduct to bear the costs of their disciplinary proceedings, so that those costs are not otherwise borne by British Columbia's licensees in general. Council has not identified any reason for not applying this principle in the circumstances.

INTENDED DECISION

26. Pursuant to sections 231, 236, and 241.1 of the Act, Council made an intended decision to:
 - a. Suspend the Licensee's general insurance licence, commencing on the date of Council's order, until such time that the certificate of authority revocation period imposed by the Alberta Insurance Council has passed and the Licensee has otherwise demonstrated full completion of the Alberta Insurance Council's disciplinary terms;
 - b. Place a condition on the Licensee's General Insurance licence that requires her to complete the Council Rules Course for general insurance and adjusters prior to her suspension being lifted; and
 - c. Assess the Licensee Council's investigation costs of \$787.50, to be paid within 90 days of Council's order, and which must be paid in full prior to the Licensee's suspension being lifted.
27. Subject to the Licensee's right to request a hearing before Council pursuant to section 237 of the Act, the intended decision will take effect after the expiry of the hearing period.

ADDITIONAL INFORMATION REGARDING COSTS

28. Council may take action or seek legal remedies against the Licensee to collect outstanding costs, should these not be paid by the 90 day deadline.

RIGHT TO A HEARING

29. If the Licensee wishes to dispute Council's findings or its intended decision, the Licensee may have legal representation and present a case in 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 within fourteen (14) days of receiving this intended decision**. 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. **If the Licensee does not request a hearing within 14 days of receiving this intended decision, the intended decision of Council will take effect.**
30. Even if this decision is accepted by the Licensee, pursuant to section 242(3) of the Act, the British Columbia Financial Services Authority ("BCFSA") still has a right of appeal to the Financial Services Tribunal ("FST"). The BCFSA has thirty (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 <https://www.bcfst.ca/> or visit the guide to appeals published on their website at <https://www.bcfst.ca/app/uploads/sites/832/2021/06/guidelines.pdf>.

Dated in Vancouver, British Columbia on the **22nd day of February, 2024.**

For the Insurance Council of British Columbia



Janet Sinclair
Executive Director