

In the Matter of

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

and

The INSURANCE COUNCIL OF BRITISH COLUMBIA
("Council")

and

HARPREET SINGH BRAR
(the "Licensee")

ORDER

As Council made an intended decision on February 11, 2014, pursuant to sections 231 and 236 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 13, 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 and 236 of the Act, Council orders:

1. The Licensee is fined \$1,000.00.
2. A condition is imposed on the Licensee's life and accident and sickness insurance licence that requires him to pay the above-ordered fine no later than **July 2, 2014**. If the Licensee does not pay the ordered fine in full by this date, the Licensee's life and accident and sickness insurance licence is suspended as of **July 3, 2014**, without further action from Council and the Licensee will not be permitted to complete any annual filing until such time as the ordered fine is paid in full.

This order takes effect on the **1st 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

HARPREET SINGH BRAR
(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.

As part of Council’s investigation, on December 16, 2013, an Investigative Review Committee (the “Committee”) met with the Licensee to discuss allegations the Licensee failed to meet the requirements of Council’s continuing education (“CE”) program for the licence years ending May 31, 2009 and May 31, 2010.

The Committee was comprised of one voting member and three non-voting members of Council. Prior to the Committee’s meeting with the Licensee, an investigation report was distributed to the Committee and the Licensee for review. A discussion of this report took place at the meeting and the Licensee was provided an opportunity to clarify the information contained therein and make further submissions. Having reviewed the investigation materials and after discussing this matter with the Licensee, the Committee made a recommendation to Council as to the manner in which this matter should be disposed.

A report setting out the Committee’s findings and recommended disposition, along with the aforementioned investigation report, was reviewed by Council at its February 11, 2014 meeting and it was 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 and 236 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 was first licensed as a life and accident and sickness insurance agent (“life agent”) on November 10, 2008. From that time, until his licence was terminated for non-filing on July 31, 2011, he represented the same agency (“Agency”).

In October 2011, the Licensee contacted Council regarding the requirements to reapply for his life agent licence. When the Licensee was advised that Council required confirmation of his CE credits for his last licensed year, he conveyed that he did not know what CE credits were or that they were necessary. The Licensee initially advised Council he had not completed any CE credits since obtaining his licence. The Licensee later advised that he had completed some courses through his previous Agency, but was unable to locate the certificates.

During the licence years ending May 31, 2009 and May 31, 2010, the Licensee had completed and submitted an annual filing form, which included his confirmation that he had met the CE program requirements.

After submitting a complete licence reapplication and proof he completed the 45 CE credit hours required for the three licence years he held a life agent licence, the Licensee was issued a licence on February 24, 2012.

The Licensee acknowledged he had breached Council Rule 7(5) by failing to meet the requirements of the CE program, despite making statements to the contrary on his annual filings made effective June 1, 2009 and June 1, 2010.

The Licensee explained that his manager at the time did not explain the requirements of Council’s CE program to him, and that he had failed to take any independent steps to ascertain or comply with the CE requirements. The Licensee claimed that he now understands it is his responsibility to earn, track, and report his credits.

ANALYSIS

Council considered the actions of, and submissions by, the Licensee and determined the Licensee had breached Council Rule 7(5) by failing to complete his CE credits for the licence years ending May 31, 2009 and May 31, 2010; and had made misrepresentations on his annual filings for the June 1, 2009 and June 1, 2010 licence years, by stating that he had met the requirements of Council’s CE program.

Council found the Licensee was unaware of Council Rules governing CE and that his breach was unintentional. Council recognized that the Licensee mistakenly relied on his manager to advise him regarding his CE requirements.

Council determined that a fine was warranted to address the Licensee's failure to meet the requirements of Council's CE program and for making misrepresentations on his annual filings, over the course of two licence years, and concluded a fine of \$500.00 for each offence was appropriate.

INTENDED DECISION

Pursuant to sections 231 and 236 of the Act, Council made an intended decision to fine the Licensee \$1,000.00.

The Licensee is advised that should the intended decision become final, the fine will be due and payable within 90 days of the date of the order. In addition, failure to pay the fine within the 90 days will result in the automatic suspension of the Licensee's life and accident and sickness insurance licence and the Licensee will not be permitted to complete any annual filing until such time as the fine is paid in full.

The intended decision will take effect on **April 1, 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 **March 31, 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.

If the Licensee does not request a hearing by **March 31, 2014**, the intended decision of Council will take effect.

Intended Decision
Harpreet Singh Brar
175130
March 13, 2014
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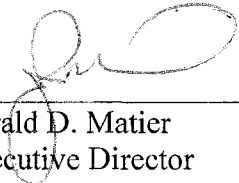
Even if this decision is accepted by the Licensee, pursuant to section 242(3) of the Act, the Financial Institutions Commission still has a right to appeal this decision of Council to the Financial Services Tribunal ("FST"). The Financial Institutions Commission has 30 days to file a Notice of Appeal, once Council's decision takes effect. For more information respecting appeals to the FST, please visit their website at www.fst.gov.bc.ca 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

Dated in Vancouver, British Columbia, on the **13th day of March, 2014.**

For the Insurance Council of British Columbia



Gerald D. Matier
Executive Director

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