

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

**and**

**The INSURANCE COUNCIL OF BRITISH COLUMBIA**  
**("Council")**

**and**

**TERESA ANNE CANTIN**  
**(the "Licensee")**

**ORDER**

As Council made an intended decision on January 15, 2013, 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 7, 2013; 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. A condition is imposed on the Licensee's general insurance licence that restricts her to holding a Level 1 general insurance salesperson licence until such time as she has accumulated an additional 12 months of active licensing.
2. A condition is imposed on the Licensee's general insurance licence that requires her to complete the Insurance Corporation of British Columbia's "Privacy Please" tutorial within six months of the date of this order, or her general insurance licence will be suspended without further action from Council.
3. The Licensee is fined \$1,000.00.
4. The Licensee is assessed Council's investigative costs of \$825.00.

5. A condition is imposed on the Licensee's general insurance licence requiring that she pay the above-ordered fine and investigative costs no later than **May 28, 2013**. If the Licensee does not pay the ordered fine and investigative costs in full by this date, the Licensee's general insurance licence is suspended as of **May 29, 2013**, without further action from Council and the Licensee will not be permitted to complete any annual filing until such time as the ordered fine and investigative costs are paid in full.

This order takes effect on the **28<sup>th</sup> day of February, 2013**.



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C. David Porter, LL.B., FCIP, CRM  
Chairperson, Insurance Council of British Columbia

## **INTENDED DECISION**

of the

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

**respecting**

**TERESA ANNE CANTIN**  
(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 10, 2012, an Investigative Review Committee (the “Committee”) met with the Licensee to discuss allegations that she breached a client’s (the “Client”) confidentiality.

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 and the aforementioned investigation report were reviewed by Council at its January 15, 2013 meeting. At the conclusion of its meeting, Council accepted the Committee’s recommended disposition and 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 was first licensed as a Level 1 general insurance salesperson (“Salesperson”) in November 2003. The incident in question occurred while she was employed at an agency (the “Agency”) as a Salesperson. The Licensee became authorized to represent the Agency in March 2008, and this authorization ended on February 14, 2011.

### **Email Correspondence Regarding the Client**

On January 14, 2011, the Licensee received an email from a former Agency employee (the “Former Supervisor”), who, while working at the Agency, had supervised its Insurance Corporation of British Columbia (“ICBC”) business.

At the time of the email, the Former Supervisor worked for another insurance agency. In the email, the Former Supervisor asked the Licensee for the renewal premium and insurer relating to the Client’s insurance coverage, which had been placed through the Agency.

Approximately one hour later, the Licensee replied to the email providing the Former Supervisor with the information requested.

Shortly after receiving the Licensee’s email response, the Former Supervisor sent another email to the Licensee asking for the value of the Client’s house and barn. Her email indicated that she wanted the Client’s business. The following morning, after reviewing the Client’s file at the Agency, the Licensee sent an email to the Former Supervisor with the information requested.

Neither the Former Supervisor nor the Licensee obtained authorization from the Client regarding the release of information. The Licensee advised she did not ask the Former Supervisor if authorization had been obtained from the Client for the release of the information. She assumed the Former Supervisor had already secured the authorization from the client.

The Licensee had released information about Agency clients to a different former Agency employee on previous occasions. On these occasions, the Licensee confirmed with the former employee that authorization was obtained from the clients for the release of their information. The Licensee did not have an explanation as to why she confirmed client authorization on these occasions, but failed to confirm the existence of an authorization when responding to the Former Supervisor’s request.

The Licensee advised that her insurance activities as a Salesperson primarily involved ICBC business. When she met with the Committee she confirmed she knew her conduct was improper and would not release client information in the future unless authorized to do so.

## **Agency Procedures**

Council noted the Agency had a procedures manual, which included strict protocols and expectations of its employees with regard to privacy of client information. The Agency did not condone the Licensee's actions.

## **ANALYSIS**

Council found that the Licensee breached the Client's confidentiality when releasing the Client's information to the Former Supervisor without the required authorization.

In determining whether the Licensee knowingly breached the Client's privacy, Council concluded the Licensee was asked to provide information to a former supervisor and friend, and it accepted that because of this relationship, the Licensee mistakenly assumed the required authorization had been secured from the Client.

While Council did not believe this was a case of a licensee intending to breach a client's privacy or gain from such improper behaviour, Council's position is that maintaining client confidentiality is fundamental to the insurance industry, and any breaches of this standard are unacceptable, regardless of the reason for doing so.

The Licensee, who had nine years of industry experience, should have known better than to give out a client's information without confirming that she was authorized to do so. The Licensee also should have known that she was acting contrary to Agency procedures regarding client confidentiality. By failing in this regard, the Licensee acted contrary to the usual practice of the business of insurance and the confidentiality requirement under Council Rules.

In determining an appropriate disposition, Council considered the precedents *M. Crowe* and *G. Yeung*, in which the licensees were found to have negligently breached client confidentiality and privacy requirements.

In *M. Crowe*, the licensee created and distributed marketing material that contained confidential information related to clients who had not approved the use of the information to the extent represented in the material. Council found that although the licensee did not set out to breach consumer privacy, and he mistakenly assumed he had the required approval to use consumer information in the manner that he did, he nonetheless breached confidentiality requirements. Council fined him \$1,000.00 for each breach of consumer confidentiality.

In *G. Yeung*, the licensee was fined \$1,000.00 after he mistakenly placed insurance records containing confidential client information in the recycling bin of his residential condominium building. Council accepted that the licensee did not intentionally dispose of the documents in an inappropriate manner. Nonetheless, he acted negligently and failed to demonstrate sufficient competence.

After considering the above, Council determined that a fine of \$1,000.00 was the minimum penalty that would address the Licensee's negligence. It also determined that the Licensee ought to complete a privacy tutorial offered by ICBC, as she advised that ICBC is her primary area of business. Given the Licensee's failure to recognize the inappropriateness of her actions at the time, despite the extent of her experience, Council determined she should remain under direct supervision for a period of time, which can be accomplished by precluding her from upgrading her Salesperson licence, as this licence automatically comes with a direct supervision condition.

#### **INTENDED DECISION**

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

1. Impose a condition on the Licensee's general insurance licence that restricts her to holding a Salesperson licence until such time as she has accumulated an additional 12 months of active licensing.
2. Impose a condition on the Licensee's general insurance licence that requires her to complete ICBC's "Privacy Please" tutorial within six months of the date of Council's order.
3. Fine the Licensee \$1,000.00.
4. Assess the Licensee Council's investigative costs of \$825.00.

The Licensee is advised that should the intended decision become final, the fine and costs which form part of the order will be due and payable within 90 days of the date of the order. In addition, failure to pay the fine and costs within the 90 days or failure to complete the "Privacy Please" tutorial will result in the automatic suspension of the Licensee's licence until the conditions are met.

The intended decision will take effect on **February 28, 2013**, 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 **February 27, 2013**. 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 **February 27, 2013**, the intended decision of Council will take effect.

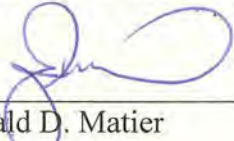
Even if this decision is accepted by the Licensee, pursuant to section 242(3) of the Act, the Financial Institutions Commission still has a right to appeal this decision of Council to the Financial Services Tribunal ("FST"). The Financial Institutions Commission has 30 days to file a Notice of Appeal, 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 7<sup>th</sup> day of February, 2013.

For the Insurance Council of British Columbia

  
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Gerald D. Matier  
Executive Director

GM/cp