

In the Matter of the
FINANCIAL INSTITUTIONS ACT, RSBC 1996, c.141
(the “Act”)

and the

INSURANCE COUNCIL OF BRITISH COLUMBIA
(“Council”)

and

PRITPAL SINGH MANN
(the “Licensee”)

ORDER

As Council made an intended decision on May 8, 2018, 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 June 28, 2018; 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 is fined \$5,000.00;
2. The Licensee is assessed Council’s investigative costs of \$2,375.00.
3. A condition is imposed on the Licensee’s Level 2 general insurance agent licence that requires the Licensee to pay the above-ordered fine and investigative costs no later than **October 18, 2018**. If the Licensee does not pay the ordered fine and investigative costs in full by this date, the Licensee’s general insurance agent licence is suspended as of **October 19, 2018**, without further action from Council and the Licensee will not be permitted to complete any subsequent annual filings until such time as the ordered fine and investigative costs are paid in full.

This order takes effect on the **20th day of July, 2018**.



Ken Kukkonen
Chairperson, Insurance Council of British Columbia

INTENDED DECISION
of the
INSURANCE COUNCIL OF BRITISH COLUMBIA
(“Council”)
respecting
PRITPAL SINGH MANN
(the “Licensee”)

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 March 14, 2018, a Review Committee (the “Committee”) met with the Licensee and his legal counsel to discuss allegations that the Licensee engaged in insurance activities while his general insurance licence was under suspension arising from previous disciplinary action.

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 make further submissions. Having reviewed the investigation materials and an additional submission of the Licensee, and after discussing this matter with the Licensee, the Committee prepared a report for Council.

The Committee’s report, along with the aforementioned investigation report, were reviewed by Council at its May 8, 2018 meeting, where 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, 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 holds a Level 2 general insurance agent (“Level 2 agent”) licence and has been working in the general insurance industry since 1999. On July 1, 2016, the Licensee began working at an insurance agency (the “Agency”) as a Level 2 agent conducting personal lines insurance business.

Prior to starting at the Agency, the Licensee was the subject of disciplinary action which resulted in a two-month suspension of his Level 2 agent licence, effective from July 13, 2016 to the end of day on September 12, 2016 (the “Suspension Period”). The reasons for the suspension are set out in the decision of the Financial Services Tribunal: 2015-FIA-002(a).

Client interaction during the Suspension Period

In late July 2016, it was reported to Council that the Licensee was engaging in insurance activity during the Suspension Period. In particular, a client of the Licensee’s former employer (the “Client”) spoke with the Licensee between July and August 2016 about insuring a recently purchased home. Council reviewed text messages between the Client and the Licensee that were exchanged during the Suspension Period. The text correspondence included a response by the Licensee to the Client’s inquiry regarding earthquake coverage, providing details of policy payment, and setting a meeting to complete the policy documentation. The Client was under the impression that the Licensee still represented his former employer. The Client’s home insurance policy was eventually placed through the Agency.

The Licensee acknowledged that the text message correspondence had occurred but he did not believe it amounted to insurance activity. It was the Licensee’s position that he was only trying to facilitate insurance transactions and was not engaging in insurance business. The Licensee stated that he was tying up loose ends for clients he had assisted prior to the Suspension Period.

ANALYSIS

Council found that the Licensee’s aforementioned interactions with the Client by text messages constituted insurance activity which he should not have undertaken while his insurance licence with Council was under suspension.

Council also found it to be aggravating that the Licensee was an experienced insurance agent who had been previously disciplined for improper conduct.

Council concluded that the Licensee failed to act in accordance with the suspension of his insurance licence and should be subject to a fine in an amount that sufficiently reinforces to the Licensee the inappropriateness of his conduct.

INTENDED DECISION

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

1. Fine the Licensee \$5,000.00;
2. Assess Council's investigative costs of \$2,375.00.

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

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.

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 **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 fourteen (14) days of receiving this intended decision**, 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 fst.gov.bc.ca or contact them directly at:

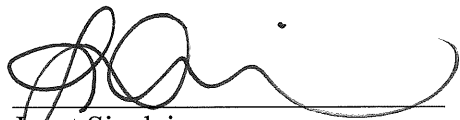
Intended Decision
Pritpal Singh Mann
LIC-140432C121038R1 / COM-2016-00106
June 28, 2018
Page 4 of 4

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 **28th day of June, 2018.**

For the Insurance Council of British Columbia



Janet Sinclair
Executive Director
604-695-2001
jsinclair@insurancecouncilofbc.com

JS/lh