

DECISION
of the
LIFE INSURANCE COUNCIL OF MANITOBA
("Council")
Respecting
SHIELA THERESA REGER
("Licensee")

INTRODUCTION

The Life Insurance Council of Manitoba (Council) derives its authority from *The Insurance Act C.C.S.M. c. I40* (the “Act”) and the *Insurance Councils Regulation 227/91*.

In response to information received by Council, an investigation was conducted pursuant to sections 375(1) and 396.1(7)(e) of the *Act* and section 7(2)(e) of *Regulation 227/91*. The purpose of the investigation was to determine whether the Licensee violated the *Act*, its Regulations and/or the Life Insurance and Accident and Sickness Agent’s Code of Conduct (the “Code”).

During the investigation, the Licensee was notified of Council’s concerns and was given an opportunity to make submissions.

On September 11, 2024, during a meeting of Council, the information and evidence compiled during the investigation was presented and reviewed. Upon assessment of the evidence, Council determined its Intended Decision.

As part of its Intended Decision, Council informed the Licensee that she may request a Hearing to dispute Council’s determinations and penalty/sanction. The Licensee expressly declined her right and chose not to pursue a Hearing; she instead expressly accepted the terms of the Intended Decision and duly paid the levied fine and partial investigation costs.

Pursuant to section 375(1) of the *Act* and *Regulation 227/91*, Council hereby renders its Decision and corresponding reasons.

ISSUES

1. Did the Licensee make a material misrepresentation on her May 2, 2022, and April 24, 2023, Life and Accident and Sickness (“A&S”) Licensing Renewal applications,

when she falsely indicated her address to be [an Ontario address], Kingston, Ontario Canada and her home jurisdiction as Ontario?

2. Did the Licensee fail to notify the ICM, in writing, within 15 days of the material change in her address and home jurisdiction, after receiving several direct communications from the ICM, including two Council Reports, outlining the obligation?

FACTS AND EVIDENCE

1. The Licensee held Life and A&S licences in Manitoba from August 24, 2018, to May 31, 2019, and has currently been licensed since May 11, 2020.
2. On August 24, 2018, ICM's Licensing department informed the Licensee, via email, that her Life and A&S licenses had been issued, and reminded the Licensee of her responsibility to ensure she was compliant with the *Act*, its Regulations, its Licensing Rules and the Code. In addition, the email outlined that:

"Material changes to information contained in your application must be reported to the Insurance Council of Manitoba within 15 days. Council considers a material change to include any material fact which may influence Council to amend, or review a licence holders licence. Refer to the information specific to Material Changes on the ICM website at Material Changes – When to Disclose them to the ICM."

3. On November 28, 2019, the ICM published an article on ICM's website entitled "*Disclosure of Material Changes to the Insurance Council of Manitoba*". This article informed licence holders of their obligation to report material changes, including an address change, in writing, within 15 days of such change.
4. When completing her April 22, 2021, licensing application, the Licensee reported that her home jurisdiction was Ontario and had indicated to the ICM that her address was [an Ontario address], Kingston, Ontario, Canada.

This application included a "*Consent and Declaration*" which read:

"...I agree to notify Council within 15 days of any material changes to the information contained in this application."

5. In the Spring of 2021, the ICM published its Spring Council Report, which included an article entitled "*Disclosure of Material Changes – within 15 days*". This Council Report was circulated to all licence holders including the Licensee, via email, and indicated:

"Licensees must notify the ICM in writing of any material change not previously disclosed within fifteen (15) days of such change, and attest to this within their application form."

The article further indicated that if the Licensee was in doubt, to contact the ICM for clarification.

6. On June 30, 2021, the Licensee moved to Manitoba and failed to report this material change to the ICM within 15 days.
7. On May 2, 2022, the Licensee completed her Life and A&S licensing renewal application and falsely indicated that her home jurisdiction was Ontario, and address was [an Ontario address], Kingston, Ontario, Canada. The Licensee declared that:

“...the foregoing information is true and I accept the responsibility for these answers and undertakings. I further understand that a false declaration on this application could lead to disciplinary action. I agree to notify Council within 15 days of any material changes to the information contained in this application.”

8. On April 21, 2023, the ICM communicated, via email, to all licence holders, including the Licensee, that the Online Licence Renewal was open, and that *“Material Changes to information contained in the application must be reported in writing to the ICM within 15 days.”*
9. On April 24, 2023, the Licensee completed her Life and A&S renewal application and continued to falsely indicate that she was an Ontario resident, and that her mailing address was [an Ontario address], Kingston, Ontario, Canada. The renewal application contained the following declaration:

“I declared that the information was true, accepted responsibility for the answer and undertakings and understood that a false declaration on the application could lead to disciplinary action. I agree further agreed to notify Council within 15 days of any material changes.”

10. On March 27, 2024, the ICM published its Spring Council Report, which included an article entitled *“Common Delays That May Impact a Smooth Renewal in May 2024”*. This Council Report was circulated to all licence holders, via email, and indicated:

“Additional common issues that the ICM sees on renewal applications, causing delays in renewal are: ...2) Licence holders changing the province in which they live and failing to notify the ICM of this change within 15 days. This not only impacts the address of the licence holder but could potentially impact other mandatory licensing requirements such as their annual continuing education requirement.”

11. On May 24, 2024, the Licensee completed her Life and A&S licensing renewal application and indicated her home jurisdiction was Manitoba, and that her address was [a Manitoba address], MB, Canada.

12. On June 28, 2024, the Licensee indicated to Council's Investigator that:

"I moved to Manitoba June 2021 as I opened a branch in Neepawa. When I renewed again 2022 and 2023, I just did a straight renewal without paying attention that my personal address is still in Ontario."

13. On July 3, 2024, the Licensee indicated to Council's Investigator that:

"...I just realized and saw in my profile just this year that my residence address is still Kingston Ontario and then changed it for my 2024 renewal in my ICM portal."

"...I have no other reason for not updating my address of residency during my MB life license renewal but just did not pay too close of attention to my address in the profile. I really do apologize."

ANALYSIS AND DETERMINATIONS

Section 375(1) Investigation by superintendent, etc., of the Act states as follows:

If, after due investigation by the superintendent and after a discipline hearing, if a hearing is required under the regulations, the superintendent determines that the holder or former holder of an insurance agent licence

(a) has been guilty of misrepresentation, fraud, deceit or dishonesty;

(b) has violated any provision of this Act or any rule or regulation under this Act;

.
.
.

the superintendent may take one or more of the actions set out in subsection (1.1).

Section 375(1.1) Disciplinary actions by the superintendent, of the Act states that:

For the purposes of subsection (1), the superintendent may do one or more of the following after giving a notice of decision in writing to the licence holder or former licence holder:

.
.

(c) subject to the regulations, impose a fine on the licence holder or former licence holder and fix a date for the payment of the fine.

(d) subject to the regulations, require that the licence holder or former licence holder pay some or all of the costs of the investigation and, where applicable, of the hearing and fix a date for the payment of the costs assessed

Section 9 (Dealing with the Insurance Council of Manitoba) of the *Code* indicates that *an agent must respond promptly and honestly, with full disclosure, to inquiries from the Insurance Council of Manitoba.*

As part of its mandate to protect the public, the ICM requires applicants to answer certain questions for licensing applications. Among them is to report their home jurisdiction and current address. This is an important disclosure obligation. Disclosure of your home province and address on ICM's licensing application permits Council to assess whether Continuing Education credits need to be reported in Manitoba. By misrepresenting one's jurisdiction, and address, Council is not provided an opportunity to fulfill its mandate to protect the public.

After completing her initial licensing application, dated August 24, 2018, the Licensee was made aware of her requirement to notify Council, in writing, within 15 days of any material change. This requirement was reinforced on each renewal application, as well as in emails from Council, including two Council Reports. Therefore, the Licensee knew or ought to have known of her reporting requirements.

On both May 2, 2022, and April 21, 2023, the Licensee falsely indicated that her home jurisdiction was Ontario, and provided an Ontario home address. The Licensee declared that this information was true, and took responsibility for those answers and undertakings, knowing that a false declaration on an application could lead to disciplinary action.

By way of her own evidence, the Licensee acknowledged that she completed her renewals without paying attention to her personal address and had moved to Manitoba in June 2021.

Council places a strong reliance and good faith on the true and accurate statements made by Licensees on their licence applications. Council concluded that the Licensee made misrepresentations on her May 2, 2022, and April 21, 2023, licensing renewal applications pertaining to her home jurisdiction and address, and failed to report her Material Change within 15 days, as required.

Based on the information and evidence reviewed by Council, Council concluded that the Licensee violated sections 375(1)(a) has been guilty of misrepresentation, fraud, deceit or dishonesty and 375(1)(b) has violated any provision of this Act or any rule or regulation under this Act, of *The Insurance Act* of Manitoba, and section 9 (Dealing with the Insurance Council of Manitoba) of the Life Insurance and Accident and Sickness Agent's Code of Conduct, and that disciplinary action is warranted.

PENALTY AND FINAL DECISION

Council's Decision dated February 7, 2025, was delivered to the Licensee by registered mail on April 14, 2025. The Decision outlined the foregoing background, analysis, and conclusion on a preliminary basis.

In consideration of the foregoing violations and pursuant to sections 375(1.1)(c) and 375(1.1)(d), of the *Act* and section 7(1) of *Regulation 227/91*, Council ordered the following reprimand:

1. The Licensee be fined \$250.00 and assessed partial investigation costs of \$250.00.

Pursuant to section 389.0.1(1) of the *Act*, the Licensee had the right to appeal this Decision **within twenty-one (21) days of receipt**. The Licensee was advised of this right in the Decision and was provided with the Notice of Appeal form, in accordance with section 389.0.1(2) of the *Act*. As an appeal was not requested in this matter, this Decision of Council is final.

In accordance with Council's determination that publication of its Decisions is in the public interest, this will occur, in accordance with sections 7.1(1) and 7.1(2) of *Regulation 227/91*.

Dated in Winnipeg, Manitoba on the 7th day of May, 2025.