

## **Superintendent of Financial Services**

**Regarding** the life insurance agent licence of  
Insaf Balshe

**AND** the Insurance Act, R.S.O. 1990, c.1.8, as amended,  
particularly subsections 393(9) – 393(11)

### **DECISION**

#### **Introduction:**

A Notice of Opportunity for Hearing dated February 23, 2009 (the Notice) informed Insaf Balshe of an allegation against her and the opportunity for a hearing before an Advisory Board. The Notice advised Ms. Balshe that if a hearing was not requested, the Superintendent would make a decision based on information in the possession of the Financial Services Commission of Ontario (the Commission). Ms. Balshe was also advised that such decision could include suspension or revocation of her licence as a life insurance agent.

Ms. Balshe replied to the Commission on March 9, 2009 confirming receipt of the Notice. I am satisfied that the Notice been properly served.

A copy of the allegation is attached to this Decision.

#### **The Evidence:**

Since Ms. Balshe has not requested a hearing, the evidence of Commission staff in the particulars attached to the Notice is uncontroverted.

The evidence can be summarized as follows. The Commission was advised of the cancellation of Ms. Balshe's errors and omissions insurance by her insurance company. Commission staff sent Ms. Balshe requests for information about her errors and omissions insurance through regular mail, registered mail, email, and telephone. Ms. Balshe did not respond.

#### **Findings of Fact**

I find that the allegation is established by virtue of the notice by the

insurance company of the cancellation of Ms. Balshe's coverage and Ms. Balshe's failure to provide evidence to the Commission of any replacement coverage, in spite of numerous opportunities provided to Ms. Balshe to do so. Since Ms. Balshe was clearly aware of her non-compliance and failed to rectify it, I find that she demonstrated incompetence or untrustworthiness.

I also note Ms. Balshe's failure to recognize the authority of the Commission and to facilitate an examination by responding to questions. This demonstrates a lack of suitability to act as an insurance agent.

In the absence of testimony by Ms. Balshe, there are no explanations for her behaviour or mitigating circumstances to consider.

Decision:


I have found that Ms. Balshe has demonstrated incompetence and untrustworthiness.

Maintenance of errors and omissions insurance is necessary to protect the public. Errors and omissions insurance coverage is provided on a "claims made" basis, and accordingly claims can be made regardless if the agent is or is not currently doing business. These claims would only be covered if an insurance policy is in force.

Ms. Balshe has not purchased the required errors and omissions insurance, and in spite of repeated follow up by Commission staff has not indicated any intention of doing so. Regulation 347/04 imposes a requirement to maintain errors and omissions insurance. Accordingly in the circumstances, the only appropriate penalty is revocation of Ms. Balshe's licence as an insurance agent.

I hereby revoke the insurance agent licence of Ms. Insaf Balshe.

Dated at Toronto, this 31st day of March, 2009

  
Executive Director, Licensing and Market Conduct  
by delegated Authority from  
Superintendent of Financial Services

## Schedule 1

The following allegation was set out in the Notice

1. Balshe demonstrated her incompetence or untrustworthiness to transact the business of insurance per section 8(d) of Regulation 347/04 by:
  - a. Failing to maintain appropriate errors and omissions insurance (E&O), as is required by section 13 of Regulation 347/04.
  - b. She is not amendable to regulation and repeated efforts to contact her via phone, email and by letter have failed. The required information could not be obtained from Balshe.