

DECISION

IN THE MATTER OF

THE LIFE INSURANCE COUNCIL OF SASKATCHEWAN ("Council")

MARKET PRACTICES COMMITTEE ("the Committee")

RESPECTING

Jose Antonio De Perio Jr. ("the Licensee")

The Committee is authorized under Council's Bylaw 2, section 2-3, to investigate complaints and adjudicate or mediate disputes respecting alleged non-compliance with *The Insurance Act* (the "Act"), *The Insurance Regulations* (the "Regulations") or Council's Bylaws by applicants, licensees or persons who are required to be licensees pursuant to section 5-31(3)(i) of the Regulations, and to make decisions respecting penalties and other charges pursuant to section 5-31(3)(k) of the Regulations.

The Compliance and Enforcement Department of the Insurance Councils of Saskatchewan ("Compliance") received notification from the Market Conduct Auditor of the Insurance Councils of Saskatchewan that the Licensee failed to respond to correspondence from Council and also failed to provide continuing education ("CE") certificates which had been requested during the course of an audit.

A Notice of Proposed Action dated March 28, 2024 enclosing a Consensual Agreement and Undertaking (the "Agreement") was served on the Licensee on April 2, 2024. The Agreement notified the Licensee that fines were being sought against him for breaching Council's Bylaws. The Licensee did not respond to Council in accordance with the timelines set out in the Agreement.

The Licensee subsequently chose to submit written representations to the Committee pursuant to section 10-11(3)(b) of the Act respecting why he felt the actions identified in the Agreement should not be taken. He submitted his written representations via e-mail on April 24, 2024. After receiving these representations, Compliance conducted a further investigation which resulted in the investigator making new recommendations to the Committee.

On June 14, 2024, in accordance with section 10-11(10)(a) of the Act, the Committee met to consider the Licensee's written representations regarding the misconduct identified below:

MISCONDUCT AND BYLAW VIOLATIONS BY THE LICENSEE:

Bylaw 4-1 Professional misconduct

(1) For the purposes of the Act, the regulations and these bylaws, professional misconduct is a question of fact but includes any matter, conduct or thing, whether or not disgraceful or dishonorable that:

(c) is a breach of the Act, the regulations or these bylaws.

Bylaw 4-1 Professional misconduct

(2) Without limiting the generality of subsection 4-1(1), a licensee may be guilty of misconduct if the licensee:

(u) fails to reasonably respond to inquiries from LICS or ICS;

REASONS FOR THE DECISION:

The Committee reviewed the Investigation Report dated March 5, 2024, the Licensee's Written Representations, and the Rebuttal submitted on behalf of Council dated May 29, 2024.

In his Written Representations, the Licensee stated that he could not respond to correspondence from Council sent between October 2 and November 16, 2023 in relation to his CE requirements as he did not receive the requests for CE certificates in either his business or personal e-mail accounts. The Committee observes that after further investigation, it was determined that the Licensee's business e-mail address had been changed at the request of his Managing General Agent. The Committee also notes that the Licensee submitted his Annual Reporting Form in September 2023, which form

indicated that his current e-mail address was the address to which the CE audit correspondence had been sent.

The Licensee stated that after he received written correspondence from Council in relation to this matter, he provided proof of having met his CE requirement in order to pass the audit.

The Committee notes that while the Licensee did meet his CE requirements, he did not respond to correspondence from Council sent by e-mail, nor did he respond to correspondence sent by registered mail until after the deadline for response had passed. The Committee confirms that all licensees are required to respond to correspondence from Council in accordance with the legislation.

After considering all the evidence and submissions in this case, the Committee finds that even though the Licensee did not respond to correspondence from Council in a timely fashion or at all, he did provide evidence that he had met his CE requirements. As a result, the Committee has determined that a fine is not warranted in the circumstances of this case, however, the Licensee will receive an official Warning Letter for failure to respond to Council, which letter will remain on his record.

THE COMMITTEE HEREBY ORDERS THAT:

The Licensee shall receive an official Warning Letter for the contravention of Bylaw 4-1(2)(u), which is attached as **Appendix A** to this Decision.

Dated at Saskatoon, in the Province of Saskatchewan, this June 17, 2024 day of June 2024.

Originally Signed by:

Som Houmphanh, Chair

Market Practices Committee

Life Insurance Council of Saskatchewan

Warning Letter

June 17, 2024

Jose Antonio De Perio Jr.

165 – 10th Avenue West
P.O. Box 3631
Melville, SK
S0A 2P0

Dear Mr. De Perio Jr.:

RE: Failure to respond to the Life Insurance Council ("Council")

The Market Practices Committee (the "Committee") of Council concluded their review of the allegation that you failed to respond to correspondence from Council as required, contrary to Bylaw 4-1(2)(u) which states:

Bylaw 4-1(2) Without limiting the generality of subsection 4-1(1), a licensee may be guilty of misconduct if the licensee:

(u) fails to reasonably respond to inquiries from LICS or ICS.

Pursuant to the Decision of the Committee made on June 14, 2024, this letter constitutes the Committee's Warning Letter to you.

You are advised that this Warning Letter will remain on your personal licensing file, and is reportable on all future Annual Reporting Forms.

Should there be any further violations, this letter may be used in future investigations and/or disciplinary actions which may include fines and investigative costs.

Sincerely,

Originally Signed by:

Som Houmphanh

Market Practices Committee

Life Insurance Council of Saskatchewan