

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

and

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

and

JAGJIT SINGH GILL
(the “Licensee”)

ORDER

As Council made an intended decision on February 13, 2018, pursuant to sections 231 and 236 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 March 19, 2018; and

As the Licensee has not requested a hearing of Council’s intended decision within the time period provided by the Act;

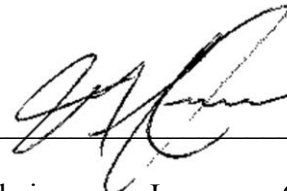
Under authority of sections 231 and 236 of the Act, Council orders:

1. A condition is imposed on the Licensee’s life and accident and sickness insurance licence that requires the Licensee to successfully complete the Council Rules Course available through Advocis, no later than **July 9, 2018**, or the Licensee’s life and accident and sickness insurance licence will be suspended as of **July 10, 2018** without further action from Council and the Licensee will not be permitted to complete any subsequent annual filings until such time as the Council Rules Course is successfully completed.
2. The Licensee is fined \$4,000.00.

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3. A condition is imposed on the Licensee's life and accident and sickness insurance licence that requires the Licensee to pay the above-ordered fine no later than **July 9, 2018**. If the Licensee does not pay the ordered fine in full by this date, the Licensee's life and accident and sickness insurance licence is suspended as of **July 10, 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 is paid in full.

This order takes effect on the **9th day of April, 2018**.



Michael Connors, CIP, CRM
Chairperson, Insurance Council of British Columbia

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA
(“Council”)

respecting

JAGJIT SINGH GILL
(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 December 14, 2017, a Review Committee (the “Committee”) reviewed the investigation report prepared by Council respecting the allegation that the Licensee had not completed the required amount of continuing education (“CE”) credits for prior licence years. The Licensee was scheduled to attend the meeting via teleconference but the Committee was unable to reach him.

The Committee was comprised of two voting members and four non-voting members of Council. Prior to the Committee’s meeting, an investigation report was distributed to the Committee and the Licensee for review.

The Committee’s report, along with the aforementioned investigation report, were reviewed by Council at its February 13, 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 and 236 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 has held a life and accident and sickness insurance agent (“life agent”) licence with Council since March 2010.

In October 2013, the Licensee was subject to a CE audit for the licence periods of 2012 and 2013. For those licence periods, the Licensee was required to obtain 30 technical credits. In response to the audit, the Licensee advised that he had not completed all of his required CE credits because he had been given inaccurate information by a licensed colleague. Council staff received a written explanation from the Licensee’s colleague outlining the incorrect advice that he had given the Licensee regarding CE credits.

In December 2013, the Licensee submitted 16 CE credit hours, all of which were completed on the same day. This exceeded the daily maximum permitted of seven hours. As a result, the Licensee was still short eight credits for 2013. He did not submit any CE credits for 2012.

The Licensee subsequently provided 15 credits for 2012, all of which were completed during the 2012 licence year. However, one of the credits exceeded the daily maximum and, as a result, the Licensee was short one credit in 2012.

The Licensee also submitted 18.5 credits as make-up credits for the 2012 and 2013 licence years; however, nine credits exceeded the daily maximum and were not accepted. As a result, 9.5 make-up credits were accepted towards the shortfall for the 2012 and 2013 licence periods.

In May 2015, the Licensee was asked to submit his CE records for the 2014 and 2015 licence periods. In response to the audit, the Licensee submitted 29.5 credits for the 2014 licence period; however, all but seven were not accepted, as they had been submitted previously and had been used as make-up credits, or exceeded the daily maximum. The Licensee also submitted 15 CE credits completed in the 2015 licence period.

In the following months, the Licensee submitted an additional eight makeup credits to satisfy the missing credits from the 2014 licence year. The Licensee explained he was short credits because he was unaware there was a maximum number of credits he could earn per day.

In December 2016, the Licensee’s CE records were audited for the 2016 licence year. The Licensee submitted certificates demonstrating completion of eight CE credits; however, all of these credits had already been submitted and used as make-up credits for the 2014 licence period.

In February 2017, the Licensee submitted 30 CE credits completed in 2014 and 2015, which were previously used to meet credit requirements in previous years. The Licensee was advised he could not use these CE credits to meet his CE requirements for 2016, and that he was short 10 credits for the 2016 licence year, following which, the Licensee submitted the 10 make-up credits required for 2016.

While the Licensee has now completed a sufficient number of credits to meet Council's CE requirements, the Licensee failed to complete them in the 2012, 2013, 2014, and 2016 licence years, as required.

ANALYSIS

As the Licensee did not attend the meeting, the Committee did not hear submissions from the Licensee and there were no additional facts for Council to consider in making its decision.

Council noted that, during the Licensee's first audit conducted in 2013, the Licensee was unable to demonstrate that he had completed the minimum amount of CE credits for the 2012 and 2013 licence periods. Council's further CE audits found that the Licensee was again unable to demonstrate that he had completed the minimum CE for the 2014 and 2016 licence periods. Although the Licensee's colleague acknowledged to Council that he had provided the Licensee with incorrect advice regarding meeting CE requirements, the Licensee continued to provide Council with make-up credits that had either already been used or exceeded the daily maximum, even after the Licensee was advised of these issues.

Council found that the Licensee had failed to act in accordance with Council Rule 7(5) by failing to meet the minimum CE requirement for the 2012, 2013, 2014, and 2016 licence periods. Council determined that the Licensee's failure to adhere to Council's requirements represented a serious breach, in light of the fact that the CE requirements were specifically brought to his attention after the 2013 CE audit.

Council determined that a fine was warranted to address the Licensee's failure to comply with Council Rule 7(5) over multiple years. Council also determined that successful completion of the Council Rules Course would be appropriate in this matter to ensure the Licensee is fully aware of all his obligations under Council Rules.

INTENDED DECISION

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

1. Impose a condition on the Licensee's life and accident and sickness insurance agent licence requiring the Licensee to successfully complete the Council Rules Course available through Advocis, within 90 days of the date of Council's order.
2. Fine the Licensee \$1,000.00 for each year the Licensee had insufficient continuing education credits, for a total of \$4,000.00.

The Licensee is advised that should the intended decision become final, the fine will be due and payable within 90 days of the date of the order. In addition, failure to pay the fine within the 90 days, or failure to successfully complete the Council Rules Course within 90 days of the date of Council's order, will result in the automatic suspension of the Licensee's life and accident and sickness insurance licence and the Licensee will not be permitted to complete any annual filing until such time as the fine is paid in full and the Council Rules Course is successfully completed.

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.

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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:

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 **19th day of March, 2018.**

For the Insurance Council of British Columbia

A handwritten signature in black ink, appearing to be 'JS', written over a horizontal line.

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

JS/rm