In the Matter of the

***FINANCIAL INSTITUTIONS ACT,* RSBC 1996, c.141**
(the "Act")

and the

INSURANCE COUNCIL OF BRITISH COLUMBIA
("Council")

and

PAVIT SINGH SANDHU
(the "Licensee")

ORDER

As Council made an intended decision on April 28, 2026, pursuant to sections 231 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 18, 2026; 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 241.1 of the Act, Council orders that:

1) The Licensee is fined $5,000, to be paid by October 6, 2026;

2) The Licensee is required to be supervised by a life and accident and sickness insurance agent, as approved by Council, for a period of two years of active licensing, commencing at the latest on August 10, 2026;

3) The Licensee is required to complete the following courses, or equivalent courses as acceptable to Council, by October 6, 2026:

    i. The Council Rules Course for Life and/or Accident & Sickness Insurance Agents;

    ii. The Challenge of Documenting Nothing course, available through Advocis; and

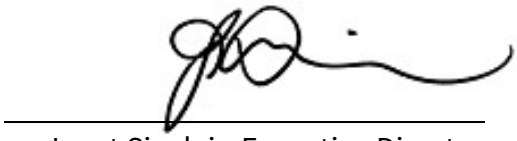
iii. The Making Choices I, II, & III: Ethics and Professional Responsibility in Practice courses, available through Advocis

(collectively, the "Courses");

4) The Licensee is assessed Council's investigation costs of $1,862.50, to be paid by October 6, 2026; and

5) A condition is imposed on the Licensee's life and accident and sickness insurance agent licence that failure to pay the fine and investigation costs in full, complete the Courses, and to obtain a supervisor, as required, by their deadlines, will result in the automatic suspension of the Licensee's licence, and the Licensee will not be permitted to complete the Licensee's 2028 annual licence renewal until such time as the Licensee has complied with the conditions listed herein.

This order takes effect on the **8th day of July, 2026.**



Janet Sinclair, Executive Director
Insurance Council of British Columbia

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA
("Council")

respecting

PAVIT SINGH SANDHU
(the "Licensee")

1. Pursuant to section 232 of the *Financial Institutions Act* (the "Act"), Council conducted an investigation to determine whether the Licensee provided false information on insurance applications about confirming client identities and signatures, failed to follow instructions from two clients to cancel their insurance policies, shredded client files, and conducted insurance business with clients in provinces where he was not licensed.

2. On February 24, 2026, as part of Council's investigation, a Review Committee (the "Committee") comprised of Council members met via video conference to discuss the investigation and to allow the Licensee an opportunity to provide additional information or make further submissions. An investigation report prepared by Council staff was distributed to the Licensee and Committee before the meeting. A discussion of the investigation report took place at the meeting, and having reviewed the investigation materials and after discussing the matter, the Committee prepared a report for Council.

3. The Committee's report, along with the aforementioned investigation report, was reviewed by Council at its April 28, 2026, meeting, where it was determined that the matter should be disposed of in the manner set out below.

PROCESS

4. 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 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

5. The Licensee has held a life and accident and sickness insurance agent ("Life Agent") licence since June 3, 2016, and his licence is currently active.

6. The Licensee held an authorization to represent an insurance agency (the “Agency”) from June 3, 2016, to January 23, 2017, and then from January 18, 2018, to the present.

7. On March 14, 2024, an insurer (the “Insurer”) submitted a Life Agent Reporting Form to Council. The Insurer had terminated its contract with the Licensee due to issues involving forgery, improper paperwork, licensing violations, product suitability concerns and questions regarding trustworthiness.

8. The Insurer provided Council staff with its market conduct investigation file, which included the Licensee’s responses and relevant insurance policy application forms.

9. Between February 25, 2021, and January 29, 2023, the Licensee processed four life insurance applications for two residents of Quebec, EH and OD, and two residents of Manitoba, BO and EM (collectively, the “Clients”). These applications were completed remotely via Zoom in provinces where the Licensee was unlicensed. Additionally, on all four application forms, the Licensee falsely indicated that the Clients' identity verifications had been completed “in person” and that the province of signatures was BC. The applications were electronically signed from an internet protocol address located in Abbotsford, BC. These policies are currently terminated.

10. During its review of the Licensee, the Insurer requested copies of client files related to the Clients. The Licensee was unable to provide the files, stating that he had shredded the documents during an office relocation from Abbotsford to Langley in February 2023. The Licensee stated that he had shredded inactive and cancelled files to maintain client privacy. This action violated the Agency's retention policy, which requires all client files and records to be retained for a minimum of seven years after an individual is no longer a client.

11. Additionally, the Insurer identified concerns with forgery, specifically with respect to discrepancies in electronic signatures on life insurance applications submitted by the Licensee for several other clients. However, two of these clients subsequently confirmed to Council staff that the signatures on the applications were their own.

12. The Insurer identified other concerns regarding the Licensee after a client, TM, expressed a desire to cancel her policy but continued to be charged premiums. She mentioned that she had placed a stop payment notice with her financial institution and had contacted the Licensee to follow up on her concerns. Following a review of the complaint, the Insurer cancelled TM’s policy and refunded her $3,600 in premiums.

13. Additionally, during its review, the Insurer noted that another client of the Licensee, AV, intended to cancel her insurance policy. However, AV had only asked the Insurer to halt her monthly payments until further notice. As a result, the Insurer stopped the bank withdrawals.

14. On October 10, 2024, Council staff interviewed the Licensee. The Licensee stated that he had conducted four unlicensed sales, two in Manitoba and two in Quebec, virtually, via Zoom. He

explained that before the COVID-19 pandemic, his business was done in person. However, during the pandemic, there was a shift from in-person meetings to virtual meetings. The Licensee stated that he believed having out-of-province clients sign documents while he remained licensed in BC would be acceptable for conducting sales. However, he later realized this approach was not allowed, and he stopped. The Licensee acknowledged that it was wrong to suggest that the Zoom meetings with clients were equivalent to in-person meetings.

15. The Licensee stated that after the policy was delivered to TM, TM informed her son, who is also an insurance licensee, of her desire to cancel it. The Licensee stated that TM's son had reassured her that the policy had been cancelled. With respect to AV, the Licensee stated that he has known AV for two years. He reported that AV contacted him about cancelling her policy, and that after reviewing her needs analysis and the policy details, he explained to her that the cash value was unavailable due to surrender fees in the early years of her policy. The Licensee stated that he told her that, instead of cancelling, she could stop making payments and let the policy run for an additional six to seven months to maintain her coverage. The Licensee stated that after discussing the options, it was agreed that stopping the payments was the best choice.

16. AV provided submissions to Council staff. AV stated that she verbally instructed the Licensee to cancel her policy and stop payments due to financial constraints. The Licensee offered to temporarily pause the payments, but AV insisted that the policy be cancelled. AV mentioned that the Licensee confirmed that the payments would stop; however, she did not receive any confirmation regarding the policy cancellation. At the time, AV expressed concern that her policy may not have been cancelled as requested.

17. The Licensee told the Committee that his current role at the Agency involves managing, training and mentoring other insurance licensees. He manages several hundred licensees and serves as a designated supervisor for over 20 of them. In all, the Licensee told the Committee that his misconduct was unintentional and that he was just careless at the time. He stated that he did not intend to harm his clients.

18. The Licensee told the Committee that he knew he needed a licence to conduct out-of-province insurance sales; however, he believed at the time that it was acceptable practice to conduct sales via Zoom with his BC licence. He stated that he verified the Clients' identities through Zoom. He acknowledged that this belief was wrong in hindsight.

19. With respect to the shredding of client files, the Licensee stated that he moved offices in or around March 2023, and at the time, he shredded inactive files or files that had chargebacks from the period of 2018 to 2020.

20. When asked about his alleged failure to cancel AV's policy, he reaffirmed his advice that it was in the client's interest to place her policy on premium holiday and maintain coverage for several months. With respect to TM, he stated that he relied on the client's son, an insurance licensee, to address the client's concerns. The Licensee acknowledged that he should have spoken to TM directly.

21. The Licensee has been the subject of a previous disciplinary order of Council. He was disciplined in August 2017 for breaching Council's continuing education requirements. The Licensee was ordered to pay a $500 fine and complete the Council Rules Course.

22. After the Committee meeting, the Licensee provided additional submissions regarding his previous Council disciplinary order from 2017. The Licensee apologized for his misconduct and explained that at the time, he was a young and inexperienced Life Agent. He stated that he "will be better moving forward".

ANALYSIS

23. Council considered the impact of Council's Code of Conduct (the "Code") on the Licensee's conduct, including section 3 ("Trustworthiness"), section 4 ("Good Faith"), section 5 ("Competence"), section 7 ("Usual Practice: Dealing with Clients") and section 8 ("Usual Practice: Dealing with Insurers"). Council concluded that the Licensee's conduct amounted to clear breaches of the aforementioned sections of the Code and the professional standards set by the Code. Licensees are required by Council Rule 7(8) to comply with the Code. Additionally, Council determined that the Licensee breached Council Rule 7(9).

24. Council determined that, at the material time, the Licensee knew that he needed a licence in the respective provinces to conduct insurance business with the Clients. The Licensee admitted to the Committee that the insurance applications were incorrect in that the client signatures did not occur in BC and that Clients' identities were not confirmed in person. Council concluded that the Licensee's decision to complete the insurance applications with false information reflected adversely on his trustworthiness. Council did not accept the Licensee's explanation that he thought Zoom meetings at the time, during the COVID-19 pandemic, were equivalent to in-person meetings and that this practice was acceptable. Council's view was that the Licensee clearly understood the material difference of verifying a client's identity in person versus remotely and the impact of making this declaration in the insurance application. For the same reasons, Council determined that the Licensee did not carry on the business of insurance in good faith, failed to act with integrity regarding the Clients, and failed to provide full and accurate information to the insurer by providing false information in the insurance applications. Council's view was that this constituted breaches of the usual practice of dealing with clients and insurers principles.

25. Similarly, Council concluded that the Licensee did not conduct insurance activities in a competent manner. Council found that the Licensee failed to comply with the limitations of his BC licence by conducting out-of-province sales without valid licences in the respective provinces. Additionally, in Council's view, a reasonable and prudent licensee in similar circumstances would not have provided false information in insurance applications. Council also found the Licensee's decision to shred client files to be concerning, as the Licensee has a duty as an insurance licensee to maintain client files and provide for their safekeeping. Council found this failure to be a breach of Council Rule 7(9). In all, Council determined that the Licensee did not act in a manner consistent with the usual practice of the business of insurance.

26. With respect to the allegation that the Licensee failed to follow cancellation instructions from AV and TM regarding their insurance policies, Council believed that the Licensee did not act with ill intent; rather, Council found that the Licensee's conduct was careless.

PRECEDENTS

27. Before making its decision in this matter, Council took into consideration the following precedent cases. While Council is not bound by precedent and each matter is decided on its own facts and merits, Council found that these decisions were instructive in providing a range of sanctions for similar types of misconduct.

28. *Robin Singh Khosa* (November 2025): concerned a former life and accident and sickness insurance agent who sold an unsuitable insurance policy to a client and failed to follow the client's instructions to cancel the insurance policy. The former licensee failed to conduct an adequate financial needs analysis and consider alternative insurance products that were more suitable for the client. Council was troubled that the former licensee repeatedly lied to the client by saying that he would cancel the policy. Council also found that the former licensee made material misstatements during Council's investigation. Council fined the former licensee $5,000; required the former licensee to be supervised for two years should he be licensed in the future; required the former licensee to complete the Council Rules Course, a fact-finding course, a product suitability course and an ethics course; and assessed the former licensee investigation costs.

29. *Roman Kendzerskyy* (March 2025): concerned a life and accident and sickness insurance agent who engaged a client to misrepresent material information to an insurer. The licensee misled an insurer by providing false statements and withholding material information. Council noted that completing basic insurance forms is a fundamental task for the usual practice of insurance business and that forms should be completed competently and accurately. Council considered that the licensee co-operated with its investigation; however, Council found that the licensee did not appear to understand the gravity of the situation and the implications of providing false information on an insurance application. Council also found that the client suffered harm, as the policy was cancelled, and it may be difficult for them to obtain new insurance coverage. Council fined the licensee $3,500; required the licensee to complete an ethics course; required the licensee to be supervised for one year; and assessed the licensee investigation costs.

30. *Rosalie Abando Ninalga* (March 2024): concerned a life and accident and sickness insurance agent who failed to maintain documentation of client instructions, client notes and summaries related to the assessment of a client's needs. Council noted that, without a properly documented needs analysis, it is difficult to assess the suitability of the insurance products sold to the client. Council found that the licensee's practice did not align with the usual practice of the business of insurance and, as a result, there could be a risk to the public. Council required that the licensee be supervised for one year; required that she complete the Council Rules Course, a fact-finding course, a product suitability course and a documentation course; and assessed the licensee investigation costs.

31. *Kamna Suri* (November 2020): concerned a relatively new life and accident and sickness insurance agent who failed to conduct a written financial needs analysis for a client's policy, failed to provide accurate information in the client's insurance application, provided the client with a copy of an illustration for another person, and failed to properly document her conversations with the client. Council determined that the licensee did not act with ill intent; rather, Council found that the licensee's conduct was careless. The licensee had no prior discipline history and there was no objective client harm. Council fined the licensee $1,000; required her to complete the Council Rules Course and an ethics course; required her to be supervised for six months; and assessed the licensee's investigation costs.

MITIGATING AND AGGRAVATING FACTORS

32. Council considered relevant mitigating and aggravating factors. In terms of aggravating factors, Council noted that the Licensee conducted insurance business with the Clients over a two-year period, from February 2021 to January 2023. Council determined that these sales showed a flagrant disregard for the laws governing the Licensee's conduct, which Council viewed as an aggravating factor. Council also considered the Licensee's previous disciplinary order to be an aggravating factor.

33. Council accepted as mitigating factors that the Licensee acknowledged his misconduct and expressed remorse for his actions. Council also considered that the Licensee co-operated with Council's investigation and that the Licensee had his contract terminated by the Insurer.

34. In all, Council placed more weight on the aggravating factors than the mitigating factors, due to the nature of the misconduct regarding the out-of-province sales.

CONCLUSIONS

35. After weighing all of the relevant considerations, Council considers a two-year supervision period for the Licensee to be appropriate. Council believes that a Council-approved supervisor would provide consistent oversight to ensure that the Licensee's practices are aligned with current standards.

36. Council has determined that the Licensee should be fined $5,000, which aligns with the fine in *Khosa*. Although in the present case there were no allegations of unsuitable insurance products, Council concludes that the misconduct regarding the out-of-province sales was egregious and flagrant, given that the Licensee knew he needed a licence in the respective provinces to sell insurance. Council also considered that the Licensee had been disciplined by Council in the past. Council concludes that its recommended fine is necessary to convey to the Licensee and the industry that the misconduct at issue cannot be tolerated.

37. Further, Council has determined that the Licensee should be required to complete courses on Council Rules, ethics and file documentation.

38. Council has determined that investigation costs should be assessed against the Licensee. As a self-funded regulatory body, Council looks to licensees who have engaged in misconduct to bear the costs of their disciplinary proceedings, so that those costs are not otherwise borne by British Columbia's licensees in general. Council has not identified any reason not to apply this principle in the circumstances.

INTENDED DECISION

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

    a. The Licensee be fined $5,000, to be paid within 90 days of Council's order;

    b. The Licensee be required to be supervised by a life and accident and sickness insurance agent, as approved by Council, for a period of two years of active licensing, commencing, at the latest, one month after the date of Council's order;

    c. The Licensee be required to complete the following courses, or equivalent courses as acceptable to Council, within 90 days of Council's order:

        i. The Council Rules Course for Life and/or Accident & Sickness Insurance Agents;

        ii. The Challenge of Documenting Nothing course, available through Advocis; and

        iii. The Making Choices I, II, & III: Ethics and Professional Responsibility in Practice courses, available through Advocis

        (collectively, the "Courses");

    d. The Licensee be assessed Council's investigation costs of $1,862.50, to be paid within 90 days of Council's order; and

    e. A condition be imposed on the Licensee's life and accident and sickness insurance agent licence that failure to pay the fine and investigation costs in full, complete the Courses, and to obtain a supervisor, as required, by their deadlines, will result in the automatic suspension of the Licensee's licence, and the Licensee will not be permitted to complete the Licensee's 2028 annual licence renewal until such time as the Licensee has complied with the conditions listed herein.

40. 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.

ADDITIONAL INFORMATION REGARDING FINES/COSTS

41. Council may take action or seek legal remedies against the Licensee to collect outstanding fines and/or costs, should these not be paid by the 90-day deadline.

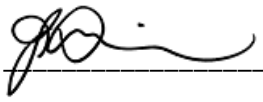
RIGHT TO A HEARING

42. If the Licensee wishes to dispute Council's findings or its intended decision, the Licensee may have legal representation and present a case in 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 14 days of receiving this intended decision, the intended decision of Council will take effect.**

43. Even if this decision is accepted by the Licensee, pursuant to section 242(3) of the Act, the British Columbia Financial Services Authority ("BCFSA") still has a right of appeal to the Financial Services Tribunal ("FST"). The BCFSA has thirty (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 www.bcfst.ca or visit the guide to appeals published on their website at guidelines.pdf.

Dated in Vancouver, British Columbia, on the **18th day of June, 2026.**

For the Insurance Council of British Columbia



Janet Sinclair
Executive Director