

In the Matter of

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

and

**The *INSURANCE COUNCIL OF BRITISH COLUMBIA*
("Council")**

and

**DANIEL JOSEPH DAGGETT
(the "Licensee")**

ORDER

As Council made an intended decision on February 17, 2015, pursuant to section 231 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 24, 2015; 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 section 231 of the Act, Council orders the Licensee's general insurance licence
is terminated.

This order takes effect on the **14th day of April, 2015.**



Ruth Hoyte
Chairperson, Insurance Council of British Columbia

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA
(“Council”)

respecting

DANIEL JOSEPH DAGGETT
(the “Licensee”)

INTRODUCTION

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. At its February 17, 2015 meeting, Council considered the following issues.

Pursuant to Council Rule 7(3), a licensee must notify Council within five business days when the licensee is disciplined by any financial sector regulator or any professional or occupational body. The Licensee was the subject of disciplinary action by the Alberta Insurance Council (“AIC”) on October 15, 2014, but the Licensee failed to notify Council within the prescribed five business days.

Pursuant to Council Rule 2(21), as a condition of licensing, an applicant for an insurance licence who is a resident of a jurisdiction other than British Columbia must be licensed for the same class of insurance licence in the applicant’s home jurisdiction; provide evidence that activities authorized under the same class of licence being applied for in British Columbia are exempt from licensing in the applicant’s home jurisdiction; or be otherwise approved by Council. At the time of its investigation, the Licensee’s Alberta licence had been terminated for not having the authority to represent an agency.

PROCESS

Pursuant to section 237 of the Act, Council must provide written notice to the Licensee of the action it intends to take under section 231 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 been licensed in British Columbia as a Level 2 general insurance agent since March 20, 2012. At the time of the Licensee's application for a general insurance licence in British Columbia in 2012, the Licensee was a resident of Alberta and licensed to conduct general insurance business by the AIC.

On June 4, 2014, the Licensee's general insurance licence in Alberta was terminated as the Licensee ceased to have an authority to represent an insurance agency.

The AIC investigated and issued an order, dated October 15, 2014, wherein the Licensee was assessed a \$3,000.00 civil penalty. The order related to allegations the Licensee signed and completed a request for confirmation of leased vehicle insurance documents for a leasing company confirming insurance coverage was in place for an automobile owned by the Licensee, when in fact, no coverage was in place. As a result of the AIC decision, the Licensee had an obligation, in accordance with Council Rules, to notify Council of this decision. No such notification was received by Council.

Between December 8, 2014 and February 12, 2015, three letters were sent to the Licensee regarding the disciplinary action in Alberta and his licence status in Alberta, two of which were sent "proof of delivery" and picked up by the Licensee. The Licensee did not respond to any of Council's correspondence.

Because of the Licensee's failure to reply to any of Council's correspondence, the matter was presented to Council at its February 17, 2015 meeting, where it considered the AIC's disciplinary action against the Licensee, as well as his failure to provide a prompt reply to Council in accordance with section 231(1)(d) of the Act.

ANALYSIS

Council found that reasonable steps had been taken to contact the Licensee regarding allegations that he had failed to provide disclosure as required by Council Rule 7(3), and as well as his licence status in his home jurisdiction and how it relates to Council Rule 2(21). Council found that the Licensee was aware of Council's inquiries as he had signed for the two letters that were sent to him "proof of delivery".

Council found that the AIC decision, as well as his unlicensed status in Alberta, brought into question his suitability to hold an insurance licence in British Columbia. The Licensee's suitability was further in question by his failure to respond to any of Council's inquiries.

Council concluded that the Licensee's failure to respond to its inquiries, along with the findings contained in the AIC discipline decision, made him unsuitable to hold an insurance licence.

INTENDED DECISION

Pursuant to section 231 of the Act, Council made an intended decision to terminate the Licensee's general insurance licence.

The intended decision will take effect on **April 14, 2015**, subject to the Licensee's right to request a hearing before Council pursuant to section 237 of the Act.

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 by **April 13, 2015**. 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 by **April 13, 2015**, the intended decision of Council will take effect.

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:

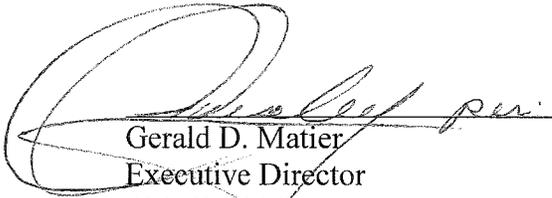
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Financial Services Tribunal
PO Box 9425 Stn Prov Govt
Victoria, British Columbia
V8W 9V1

Reception: 250-387-3464
Fax: 250-356-9923
Email: FinancialServicesTribunal@gov.bc.ca

Dated in Vancouver, British Columbia, on the **24th day of March, 2015.**

For the Insurance Council of British Columbia



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