

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

and

The INSURANCE COUNCIL OF BRITISH COLUMBIA
("Council")

and

GRANT FRANK OSTIR
(the "Licensee")

ORDER

As Council made an intended decision on March 12, 2013, pursuant to sections 231 and 236 of the Act; and

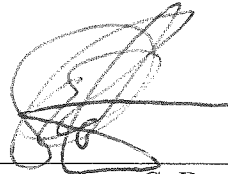
As Council, in accordance with section 237 of the Act, provided the Licensee with written reasons and notice of the intended decision dated March 25, 2013; and

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. The Licensee is fined \$1,500.00.
2. A condition is imposed on the Licensee's life and accident and sickness insurance licence requiring that he pay the above-ordered fine no later than **July 15, 2013**. 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 16, 2013**, without further action from Council and the Licensee will not be permitted to complete any annual filing until such time as the ordered fine is paid in full.

This order takes effect on the **13th day of April, 2013**.



C. David Porter, LL.B., FCIP, CRM
Chairperson, Insurance Council of British Columbia

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA (“Council”)

respecting

GRANT FRANK OSTIR (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.

As part of Council’s investigation, on February 18, 2013, an Investigative Review Committee (the “Committee”) met with the Licensee via teleconference to discuss allegations that the Licensee failed to obtain the required continuing education (“CE”) credits, and failed to notify Council of disciplinary action.

The Committee was comprised of one voting member and three non-voting members of Council. Prior to the Committee meeting with the Licensee, an investigation report was distributed to the Committee and the Licensee for review. A discussion of this report took place at the meeting and the Licensee was provided an opportunity to clarify the information contained therein and make further submissions. Having reviewed the investigation materials and, after discussing this matter with the Licensee, the Committee made a recommendation to Council as to the manner in which this matter should be disposed.

A report setting out the Committee’s findings and recommended disposition, along with the aforementioned investigation report, was reviewed by Council at its March 12, 2013 meeting. At the conclusion of the meeting, Council accepted the Committee’s recommended disposition and 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

It is a condition of all licences issued by Council that a licensee meet the requirements of Council's CE program. Under Council's CE program, the Licensee is required to meet the CE requirements of his home jurisdiction of Manitoba.

The Insurance Council of Manitoba ("ICM") disciplined the Licensee as he had not obtained sufficient CE credits to renew his licence for his June 1, 2011 renewal. The Licensee, therefore, did not meet the CE requirements for his June 1, 2011 annual filing in British Columbia.

Council accepted that, at the time the Licensee made his 2011 annual filing with Council, he was under the belief that he was in compliance with his CE requirements in Manitoba, and did not intentionally breach this licence condition.

Council noted, however, that once the Licensee was made aware he was not compliant with ICM, he failed to advise Council that there was a material error in his annual filing.

In addition, it is a condition of all licences issued by Council that a licensee who is the subject of any disciplinary action notify Council within five business days of the action being taken. The Licensee did not notify Council of ICM's disciplinary action.

The Licensee had been previously warned by ICM of the requirement to notify his home jurisdiction of discipline in another jurisdiction.

ANALYSIS

The Licensee expressed remorse to the Committee, and advised that he has hired an individual to track the CE requirements of his agency's representatives. It is Council's position that the responsibility to be compliant with CE requirements is an individual one.

Council determined that the Licensee should have immediately disclosed his non-compliance with CE requirements to Council as soon as he was aware of the issue.

Council determined that a fine of \$500.00 was appropriate for an unintentional failure to meet CE requirements; however, in this case, the fine should be increased to \$1,000.00 in light of the Licensee's failure to notify Council once he was aware that he was not compliant with CE requirements.

Council determined that an additional fine of \$500.00 was appropriate to address the failure of the Licensee to notify Council of discipline in another jurisdiction within five business days of the disciplinary action. Accordingly, Council determined that the Licensee should be fined a total of \$1,500.00.

INTENDED DECISION

Pursuant to sections 231 and 236 of the Act, Council made an intended decision to fine the Licensee \$1,500.00.

The Licensee is advised that should the intended decision become final, the fine will be due and payable in full within 90 days of the date of the order.

The intended decision will take effect on **April 13, 2013**, 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 12, 2013**. 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 12, 2013**, 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 www.fst.gov.bc.ca or contact them directly at:

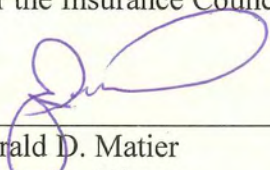
Financial Services Tribunal
PO Box 9425 Stn Prov Govt
Victoria, British Columbia
V8W 9V1

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

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Dated in Vancouver, British Columbia, on the **25th day of March, 2013.**

For the Insurance Council of British Columbia



Gerald D. Matier
Executive Director

GM/cp