

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

and

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

and

SAFIR MOHAMED LALJI
(the “Licensee”)

ORDER

As Council made an intended decision on December 12, 2017, pursuant to sections 231, 236, 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 January 25, 2018; and

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

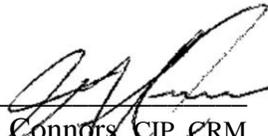
Under authority of sections 231, 236, and 241.1 of the Act, Council orders:

1. A condition is imposed on the Licensee’s Level 1 general insurance salesperson (“Salesperson”) licence that requires the Licensee to successfully complete the Council Rules Course, available through the Insurance Brokers Association of British Columbia, no later than **May 17, 2018**, or the Licensee’s Salesperson licence will be suspended 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 \$1,000.00.
3. The Licensee is assessed Council’s investigative costs of \$1,062.50.
4. A condition is imposed on the Licensee’s Salesperson licence that requires the Licensee to pay the above-ordered fine and investigative costs no later than **May 17, 2018**. If the Licensee does not pay the ordered fine and investigative costs in full by this date, the Licensee’s Salesperson licence is suspended as of **May 18, 2018**, without further action from Council and the Licensee will not

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be permitted to complete any subsequent annual filings until such time as the ordered fine and investigative costs are paid in full.

This order takes effect on the **16th day of February, 2018.**



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

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA
(“Council”)

respecting

SAFIR MOHAMED LALJI
(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 November 6, 2017, a Review Committee (the “Committee”) met with the Licensee to discuss the allegation that the Licensee engaged in insurance activity outside of the agency office where he was employed (the “Agency”), in contravention of a licence restriction.

The Committee was comprised of one voting member and three non-voting members of Council. Prior to the Committee’s 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 make further submissions. Having reviewed the investigation materials, and after discussing this matter with the Licensee, the Committee prepared a report for Council.

The Committee’s report, along with the aforementioned investigation report, were reviewed by Council at its December 12, 2017 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, 236, 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

The Licensee has been licensed in British Columbia as a Level 1 general insurance salesperson (“Salesperson”) since 2012. In March 2016, Council sent the Licensee a letter advising that he review the restrictions and limitations of a Salesperson’s licence as set out in Council Notice ICN 16-002, which, among other things, prohibits a Salesperson from delivering or collecting insurance documentation outside an agency office. The letter was issued to the Licensee following a review by Council into concerns with his previous handling of two Insurance Corporation of British Columbia Autoplan insurance renewal transactions.

In September 2016, a customer (the “Customer”) contacted the Licensee by telephone while the Licensee was at the Agency’s office, to renew her Autoplan insurance, which was expiring in a few days. The Licensee stated he was familiar with the Customer from his community, but had not previously conducted insurance business for her. The Customer told the Licensee she was unwell and could not attend the Agency’s office.

The Licensee processed the Customer’s Autoplan insurance over the telephone and brought the insurance documents to where the Customer was residing at the time, to obtain her signature. The Licensee stated he was aware that delivering insurance documents to the Customer was in contravention of his Salesperson licence restrictions, but explained he was acting with compassion under the circumstances. The Licensee noted that his usual practice is to have customers attend the agency where he works.

The Licensee acknowledged that his actions were improper but in this instance, where the Customer was elderly and unwell, he felt obliged by his beliefs to act compassionately by attending the Customer’s residence. The Licensee also determined it was a time-sensitive situation that required immediate action. The Licensee acknowledged he had made an error in judgment and further acknowledged that he failed to balance his compassion with his responsibilities as an insurance licensee.

ANALYSIS

Council concluded that the Licensee had knowingly breached his Salesperson licence restrictions by meeting with a client outside an agency office to deliver insurance documents and have the client sign the documents.

While Council recognized that the Licensee acknowledged his error, Council did not believe that this conduct should be excused, as the Licensee was aware that his insurance activity outside of the Agency was in contravention of a licence restriction. Council found it aggravating that the Licensee was previously reminded by Council of the restrictions on his Salesperson licence.

Council concluded that a fine and education was warranted in this matter.

INTENDED DECISION

Pursuant to sections 231, 236, and 241.1 of the Act, Council made an intended decision to:

1. Impose a condition on the Licensee's Level 1 general insurance salesperson licence requiring the Licensee to successfully complete the Council Rules Course, available through the Insurance Brokers Association of British Columbia, within 90 days of the date of Council's order.
2. Fine the Licensee \$1,000.00.
3. Assess the Licensee Council's investigative costs of \$1,062.50.

The Licensee is advised that should the intended decision become final, the fine and investigative costs will be due and payable within 90 days of the date of the order. In addition, failure to pay the fine and investigative costs within the 90 days, or failure to successfully complete the Council Rules Course, available through the Insurance Brokers Association of British Columbia, within 90 days of the date of Council's order, will result in the automatic suspension of the Licensee's general insurance licence and the Licensee will not be permitted to complete any annual filing until such time as the fine and investigative costs are paid in full, and the Council Rules Course is 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 period allotted to request a hearing.

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 **25th day of January, 2018.**

For the Insurance Council of British Columbia



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

JS/rm