

**In the Matter of**

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

**and**

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

**and**

**DENISE LOUISE ZANATTA**  
**(the “Licensee”)**

**ORDER**

As Council made an intended decision on January 10, 2017, 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 February 16, 2017; 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 reprimanded.
2. The Licensee is fined \$1,000.00.
3. A condition is imposed on the Licensee’s general insurance licence that requires the Licensee to successfully complete the Council Rules Course on or before **June 7, 2017**. If the Licensee does not successfully complete the Council Rules Course by this date, the Licensee’s general insurance licence is suspended as of **June 8, 2017**, 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.

4. A condition is imposed on the Licensee's general insurance licence that, for two years from the date of Council's order, the Licensee is required to disclose this decision to any agency for which the Licensee has an authority to represent.
5. A condition is imposed on the Licensee's general insurance licence that requires the Licensee to pay the above-ordered fine no later than **June 7, 2017**. If the Licensee does not pay the ordered fine in full by this date, the Licensee's general insurance licence is suspended as of **June 8, 2017**, 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 **7<sup>th</sup> day of March, 2017**.

  
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Dr. Eric Yung  
Chairperson, Insurance Council of British Columbia

## **INTENDED DECISION**

of the

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

respecting

**DENISE LOUISE ZANATTA**  
(the “Licensee”)

Pursuant to section 232 of the *Financial Institutions Act* (the “Act”), Council conducted an investigation into allegations the Licensee improperly completed an Insurance Corporation of British Columbia (“ICBC”) insurance cancellation document.

As part of Council’s investigation, on December 12, 2016, a Review Committee (the “Committee”) met with the Licensee to discuss the allegation as part of her application for a Level 2 general insurance agent (“Level 2 agent”) licence. 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. 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, was reviewed by Council at its January 10, 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 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 held a Level 2 agent licence in British Columbia since 1990. In October 2015, the Licensee's authority to represent her employer (the "Agency") was terminated, which resulted in her licence becoming inactive. Her licence was cancelled on August 4, 2016, after the Licensee failed to make her annual filing in accordance with Council Rules. On November 4, 2016, the Licensee made an application for a Level 2 agent licence, which was approved by Council on December 13, 2016.

A client (the "Client") attended the Agency to arrange for the cancellation of an automobile insurance policy because the Client was moving out of the province. The transaction was finalized with the Client by another licensee at the Agency, who failed to obtain the Client's signature. A few days after the transaction, when the insurance cancellation document was being batched, the missing signature was identified and the Licensee was tasked with obtaining the necessary signature. The Licensee was aware that the Client had left the province and was unable to make contact.

To enable batching of the insurance cancellation document, the Licensee elected to sign the cancellation document on behalf of the client, without the Client's consent or knowledge.

The Licensee admitted to signing the insurance cancellation document. The Licensee expressed remorse for her actions and explained that personal matters at the time may have contributed to her actions.

## **ANALYSIS**

Council found that the Licensee acted improperly when she signed an insurance cancellation document on behalf of the Client, without the Client's knowledge or consent. Council acknowledged that the Licensee was addressing a significant health issue at the time, which may have been a contributing factor in her conduct. However, Council felt that the Licensee, who holds a Level 2 agent licence, had extensive experience in the insurance industry and knew, or ought to have known, that there are no circumstances where a licensee can sign an insurance document on behalf of an insured without the proper authority.

Council noted that the Licensee recognized her mistake. However, Council considered the Licensee's actions were akin to a forgery of convenience, and concluded that a fine was warranted in this matter.

## **INTENDED DECISION**

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

1. Reprimand the Licensee.
2. Fine the Licensee \$1,000.00.
3. Impose a condition on the Licensee's general insurance licence that requires the Licensee to successfully complete the Council Rules Course within 90 days of the date of Council's order.
4. Impose a condition on the Licensee's general insurance licence that requires the Licensee to disclose Council's decision to any agency for which the Licensee has an authority to represent for two years from the date of Council's order.

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 general 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.

The intended decision will take effect on **March 7, 2017**, 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 **March 6, 2017**. 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 **March 6, 2017**, the intended decision of Council will take effect.

Intended Decision  
Denise Louise Zanatta  
LIC-2016-0002474-R01  
February 16, 2017  
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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](http://fst.gov.bc.ca) or contact them directly at:

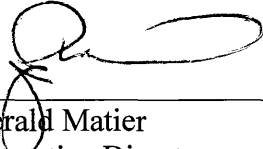
Financial Services Tribunal  
PO Box 9425 Stn Prov Govt  
Victoria, British Columbia  
V8W 9V1

Reception: 250-387-3464  
Fax: 250-356-9923

Email: [FinancialServicesTribunal@gov.bc.ca](mailto:FinancialServicesTribunal@gov.bc.ca)

Dated in Vancouver, British Columbia, on the **16<sup>th</sup> day of February, 2017.**

For the Insurance Council of British Columbia



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