

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

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

and  
**AMRIT SINGH SIDHU**  
(the “Licensee”)

and  
**DALJIT SINGH SIDHU**  
(the “Nominee”)

and  
**S&S INSURANCE SERVICES LTD.**  
(the “Agency”)

**ORDER**

As Council made an intended decision on September 19, 2023, 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, Nominee and Agency with written reasons and notice of the intended decision dated October 12, 2023;

As the Licensee, Nominee and Agency requested a hearing on November 9, 2023 in accordance with section 237 of the Act; and

As the Licensee, Nominee and Agency confirmed on February 6, 2025, that they wished to withdraw the request for a hearing;

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

- 1) The Licensee is fined \$3,000, to be paid by June 9, 2025;
- 2) The Licensee is required to complete the following courses, or equivalent courses as acceptable to Council, by September 10, 2026:

Order

Amrit Singh Sidhu, Daljit Singh Sidhu, S&S Insurance Services Ltd.

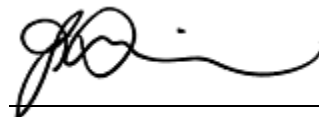
COM- 2021-00041 / LIC-170893C106061R1 / LIC-164083C99542R03 / LIC-170893C127763R1 / LIC-13804C119750R1

March 10, 2025

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- a. B210: Commercial Insurance Essentials or C70: Gateway to Commercial Insurance offered by the Insurance Institute;
  - b. M260: Fundamentals of Managing General Agents & Delegated Authority offered by the Insurance Institute; and
  - c. M270: Applied MGA Practices offered by the Insurance Institute;
- (collectively, the “Courses”);
- 3) The Licensee is not eligible to upgrade to a Level 3 general insurance agent licence until the Licensee has completed the Courses;
  - 4) The Nominee is not eligible to be a nominee of any agency for a period of one year, commencing on March 10, 2025, and ending at midnight on March 9, 2026;
  - 5) The Agency is fined \$6,000, to be paid by June 9, 2025;
  - 6) The Agency is assessed Council’s investigation costs in the amount of \$4,387.50, to be paid by June 9, 2025;
  - 7) A condition is imposed on the Licensee’s general insurance agent licence and life and accident and sickness agent licence that failure to complete the Courses by September 10, 2026, and pay the fine in full by June 9, 2025, will result in the automatic suspension of the Licensee’s general insurance agent licence and life and accident and sickness insurance agent licence and the Licensee will not be permitted to complete the Licensee’s 2027 annual licence renewal until such time as the Licensee has complied with the conditions listed herein; and
  - 8) A condition is imposed on the Agency’s general insurance licence and life insurance licence that failure to pay the fine and investigation costs in full by June 9, 2025, will result in the automatic suspension of the Agency’s general insurance licence and life insurance licence, and the Agency will not be permitted to complete the Agency’s 2026 annual licence renewal until such time as the Agency has complied with the conditions listed herein.

This order takes effect on the **10<sup>th</sup> day of March, 2025.**



Janet Sinclair, Executive Director  
Insurance Council of British Columbia

**INTENDED DECISION**

of the

**INSURANCE COUNCIL OF BRITISH COLUMBIA**

(“Council”)

respecting

**AMRIT SINGH SIDHU**

(“The Licensee”)

and

**DALJIT SINGH SIDHU**

(“the Nominee”)

and

**S&S INSURANCE SERVICES LTD.**

(“the Agency”)

1. Pursuant to section 232 of the *Financial Institutions Act* (the “Act”), Council conducted an investigation to determine whether the Licensee, Nominee and Agency acted in compliance with the requirements of the Act, Council Rules 7(6), 7(8), and Code of Conduct, and in particular to determine whether the Licensee, Nominee and Agency breached section 5 (“Competence”); section 7 (“Usual Practice: Dealing with Clients”) and section 8 (“Usual Practice: Dealing with Insurers”) of the Code of Conduct by acting contrary to the usual practice of the business of insurance in their dealings with a client and for failing to properly place insurance coverage as instructed.
2. On April 13, 2023, as part of Council’s investigation, a Review Committee (the “Committee”) comprised of Council members met via video conference with the Licensee, Nominee and Agency’s legal counsel to discuss the investigation. The Licensee, Nominee and Agency did not attend but made submissions through their legal counsel. An investigation report prepared by Council staff was distributed to the Committee, the Licensee, the Nominee and Agency’s legal counsel prior to the meeting. A discussion of the investigation report took place at the meeting and the Licensee, Nominee and Agency’s legal counsel were given an opportunity to make submissions and provide further information.

3. On August 24, 2023, the Committee met by videoconference to further deliberate this matter. Having reviewed the investigation materials and after discussing the matter, the Committee prepared a report for Council.
4. The Committee's report, along with the aforementioned investigation report, were reviewed by Council at its September 19, 2023, meeting, where it was determined the matter should be disposed of in the manner set out below.

## **PROCESS**

5. Pursuant to section 237 of the Act, Council must provide written notice to the Licensee, Nominee and Agency of the action it intends to take under sections 231, 236 and 241.1 of the Act before taking any such action. The Licensee, Nominee and Agency 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, Nominee and Agency.

## **FACTS**

6. The Licensee has been licensed with the Insurance Council since September 18, 2007, starting as a Level 1 general insurance salesperson ("Level 1 Salesperson"), and upgraded to a Level 2 general insurance agent ("Level 2 Agent") on June 7, 2010. On September 25, 2013, the Licensee upgraded his licence to a Level 3 general insurance agent ("Level 3 Agent"). The Licensee also holds a life and accident and sickness insurance agent ("Life Agent") licence and is the Agency's life insurance nominee. The Licensee was downgraded to a Level 2 Agent on August 2, 2023, as a result of an Order from Council.
7. The Nominee has been licensed with the Insurance Council as a general insurance agent since November 30, 1981. The Nominee's licence was upgraded to a Level 3 Agent on November 30, 1985. He is currently the general insurance nominee at the Agency and is also the nominee at another agency.
8. The Agency has held a corporate general insurance licence with the Insurance Council since September 15, 2005, and has also held a corporate life insurance licence since September 27, 2010.
9. At the material time, the Licensee was acting as the delegated nominee of the Agency, due to his supervisory role and duties within the Agency.

10. The Insurance Council received an email on August 11, 2021, from JC (the “Complainant”), of ABC (“ABC”), a property management firm. The Complainant alleged that the Agency had failed to provide ABC with the full policy wording and full accounting of premiums after ABC requested the policy that was issued by the Agency be cancelled.
11. The Complainant first contacted an agent of the Agency on November 18, 2020, and asked if he would be interested in quoting a strata property that JC managed as the existing insurance was due to expire on December 1, 2020. The Licensee and the agent managed to put together a quote and get the coverage in place in time to ensure that the strata remained covered. The annual premium quoted for the strata was \$437,063.
12. On January 16, 2021, the agent provided a summary of insurance to the Complainant. The Complainant requested that the policy be cancelled effective February 1, 2021, as they had obtained another quote. The agent asked the Complainant to provide him with a copy of the new quote the strata had received so that the Agency would have the opportunity to match it. The Complainant responded to the agent with the amount of the premium and the deductibles quoted; however, she did not provide the actual quote. The Complainant advised that the annual premium quoted on the recent quote received was \$115,000.
13. It is also noted that the agent had sent a letter to the Complainant that was not in line with usual business practice. In an interview with the Insurance Council investigator, the Licensee, who was a delegated nominee of the Agency, advised that the agent did provide him with a copy of the letter before it was sent. However, the Licensee suggested that the agent have the letter reviewed by other representatives of the office, as the Licensee and the agent were emotional about the situation of the cancellation. The Licensee was of the understanding that neither of the representatives gave the agent the go-ahead to send the letter.
14. Subsequently, the policy in question was cancelled at the request of the Complainant. The Complainant had requested the full policy wording and full accounting of premiums so that they could reconcile how the amount of the returned premiums were arrived at from the premium finance company.
15. In response to the Insurance Council investigator’s inquiries, the Licensee provided an email with several attachments including email correspondence between the Licensee and the Complainant; the Licensee and the premium finance company; the Complainant and the Licensee; email correspondence between the Licensee and CR, a broker of an insurer; a Payment Options Form, for the Complainant’s payments to the premium finance company; a transaction record of payment of \$317,548 to the premium finance company; and a spreadsheet breaking down the premium calculations by insurer.

16. It is noted that as of March 16, 2021, CR provided the Licensee with the cancellation endorsements effective for a termination of February 1, 2021. On April 22, 2021, CR provided the Licensee with the revised calculations with the short rate cancellation premium included. At this time, the Licensee would have had the information available to provide the return premium amount to the premium finance company.
17. In response to the Insurance Council investigator's inquiries relating to information regarding the cancellation of the finance contract, the premium finance company responded on September 28, 2021, providing its timeline and outline of events.
18. The premium finance company received notification of the cancellation of the policy from the Agency on February 12, 2021. The notification stated that this was a second request; however, the premium financing company advised that they had not received any prior notification of the cancellation.
19. After numerous requests, the Licensee provided the premium finance company with an updated invoice on April 12, 2021. On April 27, 2021, the premium finance company emailed the Licensee questioning a discrepancy between the invoice and the amount financed. On May 10, 2021, the premium finance company emailed the Complainant and copied the Licensee, advising that they were still awaiting the return premium and reconciliation to determine the outstanding balance.
20. On June 14, 2021, after numerous requests, the Agency provided the premium finance company with the return premium amount.
21. On June 15, 2021, the return premium was received for one of the policies (approximately 99% of the contract) and applied to the loan.
22. On June 16, 2021, the premium finance company followed up with the Licensee on the return premium for the other policy. On June 17, 2021, the premium finance company issued a notice of premium due to the Complainant for \$21,014.95 and copied the Licensee.
23. On June 28, 2021, the premium finance company received an email from the Complainant advising that they were following up with the Agency as there were "discrepancies on their end."
24. The premium finance company made several attempts to reach out to the Licensee to follow up on the other policy return premium and requested updates on the discrepancies expressed by the insured but received no response.

25. On August 11, 2021, the premium finance company received an email from the Complainant, which was copied to the Licensee, advising that they had yet to receive a response from the Agency on how the figures were reached.
26. On September 13, 2021, the premium finance company received the second return premium from the Agency and applied it to the loan.
27. On September 15, 2021, the premium finance company followed up with the Licensee to confirm that all return premiums had been received and that the outstanding balance was \$21,014.95.
28. On September 17, 2021, the premium finance company determined that the Agency had been over-funded by \$10,349 and that this was due back to them.
29. On September 27, 2021, the Licensee sent the over-funded \$10,349 to the premium finance company and it was applied to the loan.
30. On September 29, 2021, the premium finance company sent a revised statement and notice of account due to the Complainant with the amount owing revised to \$9,909.72.
31. Council's investigator asked the Licensee to explain the cause of the delays in the return of funds and the delay in providing the Complainant with the policy, cancellation endorsement or full accounting of the premium rate calculation. The Licensee explained that the policy was bound during the holiday season and cancelled at the end of January. They had been extremely rushed during the process of obtaining terms, binding, and getting documents to the client, and "the focus was on obtaining the coverage." The Licensee also stated that there was disruption in their systems due to the migration of the server which made it difficult to locate files in their email system. The delay was further exacerbated by the Agency being short-staffed. The Nominee also responded to inquiries from the Insurance Council investigator advising that he was aware of the concerns raised and attributed them to being short-staffed. The Nominee further stated that a lack of policies and procedures had led to the complaint and that the Agency had been working towards standardizing and formalizing as many procedures as they could to be proactive and to ensure compliance.
32. At the conclusion of the Review Committee meeting on April 13, 2023, Council staff were directed to further investigate the policy that was sold to the Complainant as the Committee noted potential concerns with the wording of the policy.
33. On April 17, 2023, Council staff presented legal counsel for the Licensee, Nominee and Agency with a list of requests including a request for "the policy issued for [ABC], including all policy documents issued by the broker, and all carriers in connection with the insurance policies,

including all underlying policies.” On April 28, 2023, legal counsel for the parties provided Council staff with documents related to the requests made.

34. On May 3, 2023, Council staff requested further information related to a document called “new policy” which was provided by legal counsel on April 28, 2023. Council staff noted that although a \$10 million commercial general liability was evidenced to the Complainant on the policy, the Licensee, Nominee and Agency only provided a \$5 million commercial general liability policy. Council staff requested information or documentation related to whether there was a \$10 million commercial general liability policy. Additionally, Council staff requested again that the supporting policies for all coverages indicated on the “new policy” be produced.
35. On May 4, 2023, an insurer responded to an inquiry from Council staff from April 18, 2023, regarding the policy in question. The insurer advised that only the document labelled Policy 395571 reflected accurate and valid information aligned with their system documentation and coverage. The insurer further stated “the policy document labeled 06B1 Commercial Insurance Summary Policy 16Jan21 does not reflect accurate information regarding the coverage that is applicable to the insured. We have no record of this policy being issued on our behalf therefore it is not recorded in our system anywhere. This broker [S&S] does not have the authorization to subscribe us to a portion of the liability coverage as indicated on this policy document, nor were we informed that the broker had bound us in this way.” Further, the insurer stated “this particular broker [S&S] does have underwriting authority through a program with [the insurer] and is authorized to issue documents on our behalf under the specifics of their broker underwriting authority agreement with us. This authority does not allow the broker to subscribe us on any policy or coverage as is shown in the invalid document.”
36. On June 1, 2023, legal counsel for the Licensee, Nominee and Agency provided a second insurer policy and market reform contract for ABC, with no additional documents or commentary.
37. On June 7, 2023, Council staff advised legal counsel for the Licensee, Nominee and Agency that during the continued investigation of this matter, the Committee noted further concerns for the policy issued for ABC. Council staff provided a copy of a letter from the insurer dated May 4, 2023, along with the documents and questions that were sent to the insurer. Council staff advised legal counsel for the parties that the insurer noted that the Agency as a broker did not have authorization to subscribe that insurer to a portion of liability coverage as indicated in the 06B1 Commercial Insurance Summary. Council staff then requested that the Licensee, Nominee and Agency reply to allegations that they failed to properly place insurance coverage as instructed, falsely issued an insurance document to a client, and offered and bound terms under a policy that were not authorized by the insurer. Additionally, the Nominee is responsible to Council for all activities of the insurance agency.



38. Legal counsel for the Licensee, Nominee and Agency requested an extension to respond to the allegations as they had recently assumed conduct of the file as the previous legal counsel went on leave in May 2023.
39. On August 8, 2023, legal counsel for the Licensee, Nominee and Agency responded to the allegations from the June 7, 2023, email from Council staff. The response provided denied allegations that insurance coverage was not placed as instructed. Legal counsel stated that the insurance coverage was evidenced by the document Policy 395571. Further, legal counsel for the Licensee, Nominee and Agency stated that they did not falsely issue insurance documents, as 06B1 Commercial Insurance Summary New Policy 16Jan21 only contains a summary of all the insurance coverages and is not an insurance policy itself.
40. On August 24, 2023, the Committee met to discuss this matter further with the new information obtained since the April 13, 2023, Review Committee meeting.

#### **ANALYSIS**

41. Council has concluded that the Agency did not act in a manner consistent with the usual practice of the business of insurance and in the usual practice of dealing with clients. Although one may expect some delay in obtaining the necessary cancellation endorsements and premium calculations including the short rate cancellation premium, the Agency was made aware of those calculations by April 2021. The complaint for this matter was received in August 2021, and at the time of the investigation, it did not appear that the information had been provided to the Complainant. It is the responsibility of a licensee to ensure that insurance policies or evidence of insurance coverage are delivered within a reasonable time. Furthermore, the client requested material information regarding the premium charges which was directly relevant to the cancellation. The Agency should have ensured that all relevant information to the client's insurance needs was reasonably disclosed.
42. Council determined that the misconduct was attributable to the Agency's failure to have proper systems in place to ensure that documents are produced and provided in the usual manner consistent with the usual practice.
43. The delay in providing the appropriate materials to the Complainant is in Council's view, an inordinate delay and inconsistent with the usual practice of the business of insurance.
44. Council further determined that the Licensee, Nominee and Agency failed to recognize the deficiencies in the insurance policy for the Complainant. Council notes that the Licensee, Nominee and Agency did not acknowledge that the Agency was not authorized to bind or

subscribe to the insurer as was noted in the 06B1 Commercial Insurance Summary New Policy 16Jan21 document. Council did not accept the Licensee, Nominee and Agency's response that this document only contains a summary of the insurance coverages and was not an insurance policy itself. Council notes that the document on page 2 notes "Commercial Insurance Summary New Policy" along with Policy No. B0793NM2009112 and includes a total policy premium of \$437,945, which was invoiced to the Complainant on December 1, 2020, for \$437,063. It is further noted that the document that the Licensee, Nominee and Agency purport to be the actual policy, the document labelled Policy 395571, only includes liability coverage, and the premium is noted at \$2065, which was also invoiced to the client on December 1, 2020. The format of both 06B1 Commercial Insurance Summary New Policy 16Jan21 and Policy 395571 appear to be identical, and one would not be able to distinguish which of the two documents is a policy and which is not. As the Agency does have underwriting authority, the information presented in the document 06B1 Commercial Insurance Summary New Policy 16Jan21 appears to be the Complainant's policy and indicates that the insurer has been assigned 50% of the liability for the Complainant's policy, given their underwriting authority. However, that information is incorrect and misleading to the Complainant, as the insurer has confirmed that the Agency did not have the authority to subscribe the insurer to a portion of the liability risk as stated in the document. Even if Council were to accept that this is not a policy but only a summary of coverages, this document cannot accurately reflect the summary of coverages in place, as it notes the insurer as having insured 50% of the liability risk, when it has been expressly stated by the insurer that it has not been authorized and is not valid.

45. Council believes that this conduct and lack of acknowledgment reflect on the Licensee, Nominee and Agency's competence and ability to practice insurance business consistent with the usual practice. The Licensee in this instance had supervisory duties as a delegate nominee and was assisting the other agent in placing the insurance coverage for the Complainant. Council has determined that the Licensee, Nominee and Agency all contributed to the failure to properly place insurance coverage and for providing false insurance documents. The document 06B1 Commercial Insurance Summary New Policy 16Jan21 contains misleading information and purports to bind the insurer for liability coverage when that was outside the authority granted by the insurer. The evidence demonstrates that the insurance coverage was not properly placed and that the client was not provided with evidence of insurance coverage that was accurate. Additionally, Council concludes the Licensee, Nominee and Agency have breached their duty to the insurer by representing that the insurer was bound to the policy in a way that was not authorized.
46. Nominees are responsible to Council for all activities of the insurance agency, and licensees who have supervisory duties must fulfill those duties competently or it may bring into question the competence of the supervision.

47. Council considered the impact of Council Rule 7(8) and Council's Code of Conduct guidelines on the Licensee's conduct, including section 5 ("Competence"), section 7 ("Usual Practice of Dealing with Clients") and section 8 ("Usual Practice: Dealing with Insurers"). Council concluded that the Licensee, Nominee and Agency's conduct amounted to breaches of the above Code of Conduct sections and the professional standards set by the Code.

## PRECEDENTS

48. Prior to making its recommendation, Council took into consideration the following precedent cases. While Council recognizes that Council is not bound by precedent and that each matter is decided on its own facts and merits, Council found that these decisions were instructive in terms of providing a range of sanctions for similar types of misconduct.
49. [\*Troy Wotherspoon Insurance Services Ltd., Lung Hwa \(Andy\) Tan, and Troy John Wotherspoon\*](#) (May 2020): A client came to the agency and advised they were in the process of moving and submitted an application for a storage insurance policy. The clients instructed the licensee to proceed with the policy and provided their credit card information for payment. The licensee placed a sticky note on a colleague's desk with the information for payment and a note to bind the insurance for the client, but the licensee did not speak to anyone about this. A month later the client wanted to file a claim in regards to a theft at the storage facility. At this time, the licensee discovered that the payment and insurance were never bound. The clients were not informed at this point that the insurance had not been bound. The nominee began discussions with the insurer to see if there was a way to bind the policy, which ultimately, he was successful in doing. The agency paid the premiums required to reinstate the policy and the policy was backdated. It did not appear that the clients were fully aware of or understood the situation that occurred. Council found the agency, nominee, and licensee in this matter responsible for the failure to complete the insurance renewal and that there was a lack of procedures in place by the agency and insufficient oversight by the nominee. Council ordered a fine of \$1,500 against the licensee, \$1,500 against the nominee, and \$2,000 against the agency as well as investigation costs. The nominee and licensee were also ordered to complete courses.
50. [\*The Whistler Shoppe LTD. dba The Whistler Insurance Shoppe and Peggy Kathleen Johannson\*](#) (April 2016): concerned an error occurring at an agency that resulted in a client's insurance policy not being renewed upon expiration. Council was concerned by a lack of proper administrative and financial procedures being in place at the agency, and with the nominee's failure to provide appropriate oversight. Council found the nominee failed to perform her duties as a nominee, raising concerns over the manner in which the Agency is managed. Council fined the nominee \$2,500, required her to complete the Level 3 seminar, and put a condition on her licence limiting

her to being the nominee for a maximum of two agencies unless there is a full-time Level 3 Agent in regular attendance at every agency for which she is a nominee. Finally, Council fined the agency \$5,000, assessed its investigative costs of \$1,112.50, and required the agency to have a full-time Level 3 Agent in regular attendance.

51. [Kanwar Yuvraj Walia](#) (December 2015) and [Global Insurance Agency \(2007\) Ltd, Harvinder Kaur Walia and Kanwar Yuvraj Walia](#) (December 2015): concerned an error whereby a licensee failed to submit the documentation necessary to bind an insurance policy. The agency accepted payment from a client and then issued a Certificate of Insurance before coverage was bound and without the insurer's authorization. About one month later, the licensee realized that documentation had not been submitted and emailed the insurer to request that the policy be issued, with documents to follow. However, the insurer had no records of having received the required documents, and as such coverage was never bound and the client went uninsured. Council concluded that the licensee's failure to bind the policy was an administrative error but noted that the licensee had had multiple opportunities to ensure coverage was placed for the client. Council's opinion was that a lack of appropriate administrative and financial policies at the agency contributed to the error and that the agency and nominee were both responsible for these shortcomings. A mitigating factor, however, was that the agency took action when the error was identified and has since taken steps to modernize its processes. Council fined the licensee \$2,000, reprimanded the nominee, fined the agency \$2,000, and assessed investigative costs of \$1,625 to the agency.
52. [Tina Suzanne Jang](#) (April 2016): concerned a licensee who failed to renew a client's insurance policy when it expired. The client only discovered they were without insurance when they suffered a fire loss. The licensee had a list of all policies set to expire and after processing the renewals on her list, she left for vacation. While on vacation the client's spouse contacted the licensee about their insurance policy, and the licensee advised she would forward the policy but realized she did not have access to her files while on vacation. Upon her return from vacation, the licensee did not follow up with the client and did not realize the insurance application had been missed. The nominee only learned of this incident after the licensee reported the matter to the agency's errors and omissions provider. Council determined that the licensee failed to properly handle the client's insurance. The licensee did not use procedural systems such as bring forward systems which would have been of assistance, and Council accepted that the licensee had subsequently taken steps to better educate herself. The licensee was ordered to complete an errors and omissions course.

#### **MITIGATING AND AGGRAVATING FACTORS**

53. Council considered the relevant mitigating and aggravating factors in this matter. The primary mitigating factor was that the misconduct took place during a distressed market for strata

insurance when coverage for this type of insurance may have been more difficult to obtain. As for aggravating factors, Council noted that there has been a compliance history for the parties. In December 2021, the Nominee was sent a reminder letter regarding a complaint about the mishandling of a client's insurance renewal. The Agency was reminded of record-keeping practices. Additionally, the Licensee, Nominee and Agency were recently issued disciplinary action regarding the failure of the Licensee, Nominee and Agency to properly renew an insurance policy. This, in Council's view, showed a history and pattern of concerns related to properly placing insurance coverage within the Agency. Council further noted that there was a potential risk to the public given the concerns about the parties' ability to properly place insurance coverage. Lastly, Council found that given the experience that both the Nominee and Licensee have in the industry, they should have a level of competence that would not result in this kind of incident.

## CONCLUSIONS

54. Council has determined The Licensee, Nominee and Agency failed to act in a manner that is consistent with the usual practice of the business of insurance. Council must determine the appropriate sanction keeping in mind that the fundamental purpose of sanctioning misconduct is to ensure the public is protected from further acts of misconduct by a licensee and to deter and prevent other licensees from committing similar acts.
55. Council felt that the [Whistler Shoppe](#) case was the most instructive precedent, however, given the number of aggravating factors, felt that additional education and a more severe fine are warranted.
56. After weighing all of the relevant considerations, Council has concluded it is appropriate to order a fine of \$6,000 against the Agency and a fine of \$3,000 against the Licensee. Additionally, Council believes that courses are required to ensure there are no further complaints arising regarding insurance coverage. Council believes that the Licensee would benefit from completing B210: Commercial Insurance Essentials or C70: Gateway to Commercial Insurance, M260: Fundamentals of Managing General Agents & Delegated Authority and M270: Applied MGA Practices, offered by the Insurance Institute. Additionally, Council has determined it is appropriate that the Nominee not able to hold a nominee designation for a period of 12 months.
57. With respect to the investigation costs of this matter, Council concludes that these costs should be assessed by the Agency. Under the same investigation but in a matter focused on the conduct of the [agent](#) who sent out inappropriate correspondence, Council concluded that the Agency should be assessed investigation costs of \$1,387.50 for their culpability in the inappropriate correspondence being sent out. This amounts to 60% of the investigation costs from the related

investigation of the inappropriate correspondence. In regard to this investigation, there were investigation costs of \$3,000, which Council has concluded should be assessed against the Agency as well.

58. As a self-funded regulatory body, Council looks to licensees who have engaged in misconduct to bear the costs of their discipline proceedings, so that those costs are not otherwise borne by British Columbia's licensees in general. Council has not identified any reason for not applying this principle in the circumstances.

#### **INTENDED DECISION**

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

- a. The Licensee be fined \$3,000, to be paid within 90 days of Council's order;
- b. The Licensee be required to complete the following courses, or equivalent courses as acceptable to Council, within 18 months of Council's order:
  - i. B210: Commercial Insurance Essentials or C70: Gateway to Commercial Insurance offered by the Insurance Institute;
  - ii. M260: Fundamentals of Managing General Agents & Delegated Authority offered by the Insurance Institute; and
  - iii. M270: Applied MGA Practices offered by the Insurance Institute.

(collectively the "Courses");

- c. The Licensee not be eligible to upgrade to a Level 3 general insurance agent licence until the Licensee has completed the Courses;
- d. The Nominee not be eligible to be a nominee of any agency for a period of one year, commencing on the date of Council's order;
- e. The Agency be fined \$6,000, to be paid within 90 days of Council's order;
- f. The Agency be assessed Council's investigation costs in the amount of \$4,387.50, to be paid within 90 days of Council's order;

- g. That a condition be imposed on the Licensee's general insurance agent licence and life and accident and sickness agent licence that failure to complete the Courses within 18 months and pay the fine in full within 90 days will result in the automatic suspension of the Licensee's general insurance agent licence and life and accident and sickness insurance agent licence and the Licensee will not be permitted to complete the Licensee's 2026 annual licence renewal until such time as the Licensee has complied with the conditions listed herein; and
  - h. That a condition be imposed on the Agency's general insurance licence and life insurance licence that failure to pay the fine and investigation costs in full within 90 days will result in the automatic suspension of the Agency's general insurance licence and life insurance licence, and the Agency will not be permitted to complete the Agency's 2025 annual licence renewal until such time as the Agency has complied with the conditions listed herein.
60. Subject to the Licensee, Nominee and/or Agency'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.

#### **RIGHT TO A HEARING**

61. If the Licensee, Nominee and/or Agency wishes to dispute Council's findings or its intended decision, the Licensee, Nominee and/or Agency 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, Nominee and/or Agency **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, Nominee, and/or Agency does not request a hearing within 14 days of receiving this intended decision, the intended decision of Council will take effect.**
62. Even if this decision is accepted by the Licensee, Nominee and/or Agency 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.fst.gov.bc.ca](http://www.fst.gov.bc.ca) or visit the guide to appeals published on their website at <https://www.bcfst.ca/app/uploads/sites/832/2021/06/guidelines.pdf>.

Amrit Singh Sidhu, Daljit Singh Sidhu, S&S Insurance Services Ltd.

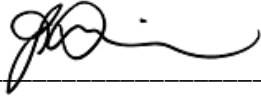
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October 12, 2023

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Dated in Vancouver, British Columbia, on the **12<sup>th</sup> day of October, 2023**

For the Insurance Council of British Columbia

A handwritten signature in black ink, appearing to read 'JS', is written above a horizontal line.

Janet Sinclair

Executive Director