

In the Matter of

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

and

The INSURANCE COUNCIL OF BRITISH COLUMBIA
("Council")

and

DOUGLAS WILFRED ROBINSON
(the "Licensee")

ORDER

As Council made an intended decision on June 27, 2016, 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 August 3, 2016; 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. A condition is imposed on the Licensee's life and accident and sickness insurance licence that requires the Licensee to successfully complete the Council Rules Course (the "Course") on or before **November 17, 2016**. If the Licensee does not successfully complete the Course in full by this date, the Licensee's life and accident and sickness insurance licence is suspended as of **November 18, 2016**, without further action from Council and the Licensee will not be permitted to complete any subsequent annual filings until such time as the Course is successfully completed.
2. The Licensee is fined \$5,000.00.

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3. A condition is imposed on the Licensee's life and accident and sickness insurance licence that requires the Licensee to pay the above-ordered fine no later than **November 17, 2016**. 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 **November 18, 2016**, 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 **17th day of August, 2016**.



Dr. Eric Yung
Chairperson, Insurance Council of British Columbia

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA
(“Council”)

respecting

DOUGLAS WILFRED ROBINSON
(the “Licensee”)

Pursuant to section 232 of the *Financial Institutions Act* (the “Act”), Council conducted an investigation into allegations that the Licensee breached Council Rule 7(5).

As part of Council’s investigation, on May 16, 2016, the Licensee met with a Review Committee (the “Committee”) to discuss allegations against the Licensee. 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 of its meeting for Council.

The Committee’s report, along with the aforementioned investigation report, were reviewed by Council at its June 27, 2016 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

In March 2000, the Licensee obtained a life and accident and sickness insurance agent (“life agent”) licence and is currently the nominee of DWR Financial Services Ltd.

During an inspection of the Licensee in March 2014, the Licensee disclosed that he had not met the minimum continuing education ("CE") requirements for the 2013 filing period. As a result, the Licensee's CE records for the filing periods 2010, 2011, 2012, and 2014 were audited by Council. Based on the records provided by the Licensee, it was determined that the Licensee had failed to complete the minimum number of CE credits during the 2010, 2012, and 2013 licence periods.

As a result of the initial CE audit, the Licensee was subject to a follow-up CE audit in June 2015, for the 2015 licence period. Based on the records provided by the Licensee, it was determined that the Licensee had also failed to complete the minimum number of CE credits during the 2015 licence period.

The Licensee did not dispute that he had failed to meet the minimum CE requirements. The Licensee explained that he had been dealing with health issues for several years, which had an impact on his ability to complete the necessary CE requirements. The Licensee acknowledged that he had continued to make his annual filings with Council and had not, at any time, disclosed to Council that he was not in compliance with Council Rule 7(5).

The Licensee did subsequently complete the outstanding CE requirements for the 2010, 2012, 2013, and 2015 licence periods.

ANALYSIS

Council determined the Licensee had breached Council Rule 7(5) by failing to complete the minimum CE requirements for his insurance licence over multiple years.

Council found that the Licensee knew of his responsibilities with regard to CE, but had failed to meet the CE requirements for each of the 2010, 2012, 2013, and 2015 licence periods.

While acknowledging that the Licensee had health issues, Council concluded the Licensee had, at minimum, a responsibility to disclose to Council that his health was affecting his ability to comply with Council Rules. Council noted that, while his health issues may have been a mitigating factor in his failure to complete the minimum CE requirements, it is not an excuse for ignoring Council Rules.

Council noted that, prior to completing the 2015 licence period, the Licensee had already been subject to two CE audits by Council and was aware that he had not met the minimum CE requirements for the 2010, 2012, and 2013 licence periods. However, this awareness did not prevent the Licensee from failing to comply with Council Rule 7(5) during the 2015 licence period.

In considering the appropriate disposition in this matter, Council noted that the precedent for breaches of Council Rule 7(5) is a fine of \$1,000.00. Council concluded that the Licensee should be fined \$1,000.00 for each of the 2010, 2012, and 2013 licence periods. Council also noted that, by the 2015 licence period, the Licensee knew or ought to have known about the CE requirements stated in Council Rule 7(5) and determined a \$2,000.00 fine was appropriate for the 2015 licence period. Council further determined that successful completion of the Council Rules Course would be appropriate in this matter, to ensure the Licensee is fully aware of all his obligations under Council Rules.

INTENDED DECISION

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

1. Fine the Licensee \$5,000.00.
2. Impose a condition on the Licensee's life and accident and sickness insurance licence requiring the Licensee to successfully complete the Council Rules Course within 90 days of Council's decision becoming final.

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 and successfully complete the Council Rules Course within the 90 days will result in the automatic suspension of the Licensee's life and accident and sickness 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 Council Rules Course is successfully completed.

The intended decision will take effect on **August 23, 2016**, 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 **August 22, 2016**. 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 **August 22, 2016**, 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 **3rd day of August, 2016.**

For the Insurance Council of British Columbia



Gerald Matier
Executive Director
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