

In the Matter of

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

and

The **INSURANCE COUNCIL OF BRITISH COLUMBIA**  
("Council")

and

**NARINDER MALIK**  
(the "Licensee")

## ORDER

As Council made an intended decision on October 15, 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 November 19, 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 \$500.00.
2. A condition is imposed on the Licensee's life and accident and sickness insurance licence that requires him to pay the above-ordered fine no later than **March 10, 2014**. 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 **March 11, 2014**, 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 **10<sup>th</sup> day of December, 2013**.



---

Rita Ager, CFP, CLU, CHS, CPCA, FEA  
Chairperson, Insurance Council of British Columbia

## **INTENDED DECISION**

of the

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

**respecting**

**NARINDER MALIK**  
(the “Licensee”)

### **INTRODUCTION**

Pursuant to section 232 of the *Financial Institutions Act* (the “Act”), Council conducted an investigation into an allegation the Licensee failed to obtain the required continuing education (“CE”) credits.

As part of Council’s investigation, on August 19, 2013, an Investigative Review Committee (the “Committee”) met with 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 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 October 15, 2013 meeting and it 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**

1. The Licensee was first licensed as a life and accident and sickness insurance agent (“life agent”) on October 5, 2010. The Licensee has also held a Level 2 general insurance agent (“Level 2 agent”) licence since July 2012.
2. In May 2012, the Licensee contacted Council seeking clarification on the number of CE credits required for his June 2012 annual filing. While seeking clarification, the Licensee stated that he had not obtained any CE credits for the licence year ending May 31, 2011.
3. Based on his licensing history, the Licensee was required to have completed 15 technical CE credits for each annual filing period.
4. The Licensee stated that during his first licence year, he was working in various part-time positions outside of the insurance industry and was not aware of his responsibility under Council Rules to complete a minimum number of CE credits, even though he confirmed he was in compliance with all Council Rules when he signed his annual filing for the licence year ending May 31, 2011.
5. The Licensee’s life agent licence was terminated on July 31, 2012 for non-filing. His licence was subsequently re-issued when he re-applied for his life agent licence. The re-application included proof of completion of CE credits for the licence years ending May 31, 2011 and 2012.

## **ANALYSIS**

Council recognized that the Licensee voluntarily disclosed his failure to meet the requirements of Council’s CE program for the licence year ending May 31, 2011. Council also noted the Licensee did not complete his 2012 annual filing until he had completed all of his outstanding CE.

Council took note of the Licensee’s explanation that he was new to Canada when he first obtained his life agent licence. At that time, the Licensee advised that he had no one to mentor him, did not have any contacts in Canada, and essentially did not do any insurance business. The Licensee obtained his life agent licence prior to the current new life agent supervisor requirements.

The Licensee advised that he is now being mentored by the assistant director from his insurance company and is currently only selling to friends and family. He hopes to continue to grow and network his life insurance business. Council accepted the Licensee's submission that his work with his insurer, and his primary employment as a Level 2 agent, has resulted in him being surrounded by insurance professionals, supporting his decision to make a career in the insurance industry.

Council found the Licensee to be honest and forthright, and noted that he did not submit his 2012 annual filing when he realized that he did not meet the requirements. This, combined with the fact it was the Licensee who advised Council of his breach, and that he did everything to correct the error once discovered, ultimately led Council to find that the breach was not intentional.

Council considered prior decisions relating to unintentional breaches of Council Rule 7(5) and was of the view that a fine of \$500.00 was appropriate in the circumstances.

#### **INTENDED DECISION**

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

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 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.

The intended decision will take effect on **December 10, 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 **December 9, 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.

Intended Decision  
Narinder Malik  
182297  
November 19, 2013  
Page 4 of 4

If the Licensee does not request a hearing by **December 9, 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](http://www.fst.gov.bc.ca) or contact them directly at:

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

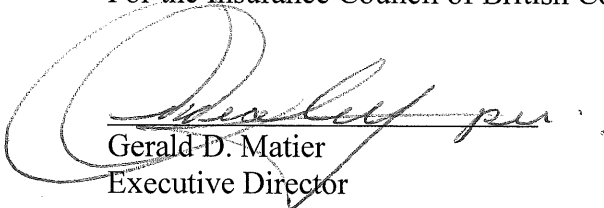
Reception: 250-387-3464

Fax: 250-356-9923

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

Dated in Vancouver, British Columbia, on the **19<sup>th</sup> day of November, 2013**.

For the Insurance Council of British Columbia



Gerald D. Matier  
Executive Director

GM/tp