



On June 19, 2015, Council issued an order (the “Order”), pursuant to sections 231 and 238 of the *Financial Institutions Act* (the “Act”), that suspended the general insurance licences of Fransen Insurance Services Ltd. (the “Agency”) and Antony Ronald Fransen (the “Nominee”) pending completion of its investigation of both licensees.

In accordance with his rights under the Act, the Nominee filed a Notice of Appeal of the Order with the Financial Services Tribunal (the “FST”). In filing his Notice of Appeal, the Nominee also made an application for a stay of the Order until a final determination is made on the appeal.

On July 8, 2015, the FST granted a stay of the Order, subject to certain conditions. In accordance with the stay, Council has removed the suspensions of the Agency's and the Nominee's licences effective July 10, 2015

Gerald Matier
Executive Director



FINANCIAL SERVICES TRIBUNAL

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July 8, 2015

File No. 2015-FIA-001

Via Email

Antony Fransen
Fransen Insurance Services Ltd.
3580 Gates Road,
West Kelowna, BC V4T 1A3

Ministry of Justice
Legal Services Branch
1301 865 Hornby Street
Vancouver BC V6Z 2G3

Attention: Joni Worton

Alexander Holburn Beaudin & Lang LLP
2700-700 West Georgia Street
Vancouver BC V7Y 1B8

Attention: David McKnight

Re: Appeal to the Financial Services Tribunal (“FST”) and Application for a Stay-Fransen Insurance Services Ltd. (dba Sea to Ski Insurance Services) and Antony Fransen v. Insurance Council of British Columbia (“Council”) and Financial Institutions Commission (“FICOM”)

On June 30, 2015, the FST received a Notice of Appeal filed by Antony Ronald Fransen on behalf of Fransen Insurance Services Ltd. (dba Sea to Ski Insurance Services) (the “Agency”), and on his own behalf as the “Nominee” (collectively referred to as the “Appellants”), under section 238 and 242 of the *Financial Institutions Act* (the “Act”). The appeal is of a Decision and Order of the Insurance Council of British Columbia (the “Council”) dated June 19, 2015 (the “Order”), regarding Fransen Insurance Services Ltd. and Antony Fransen, suspending the general insurance licenses of the Agency and the Nominee pending completion and consideration by Council of an investigation under section 232 of the Act, and of Council’s finding that he was in breach of a May 21, 2015 Order and the automatic suspension arising from that breach, of which he was notified on June 12, 2015 (the “Notice”).

At the same time he filed his appeal, Mr. Fransen made an application for a stay of the Order until a final determination of the appeal of the matter.

After receipt of the notice of appeal and application for a stay, the FST provided notice of the appeal and the stay application to the Respondents and at the request of Council directed that a telephone conference call be convened on short notice to hear oral submissions on the interim stay issue and provide an opportunity for the Respondents to be heard. A teleconference was convened and attended by the Appellant and on behalf of Council, by Mr. Robert Tanaka, Director of Compliance, and David McKnight, Counsel. Counsel for FICOM advised that it takes no position on the application for a stay and did not participate in the teleconference.

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Council did not wish to make any significant argument against the granting of a stay, but provided background information that was useful in informing appropriate conditions should a stay be granted. Counsel for the Insurance Council confirmed that notwithstanding the granting of a stay, Council's Order and Decision dated May 21, 2015, which is not the subject of an appeal to the FST, will remain in full force and effect. The Appellant acknowledged his ongoing responsibility to fully comply with the conditions attached to the Agency's general insurance licence as set out in that Order. Counsel further advised that if the conditions required by Rule 7(11) and Rule 7(13) of the Insurance Council Rules were in place, Council would not object to a stay of the June 19, 2015 Order, on the understanding that the Appellants must still comply with the July 21st deadlines in the previous order.

Accordingly, upon consideration of the Appellants' application for a stay and in light of the concerns and conditions identified by Council, pursuant to section 242.2(10)(a)(i) of the *Act*, I direct that the Appellants' application for a stay of the June 12, 2015 Notice and June 19, 2015 Order of the Insurance Council of British Columbia, pending a determination of the appeal, is hereby granted on the conditions that:

- (a) the Appellant remain in compliance with Council Rules 7(11) and 7(13); and
- (b) the Appellant immediately provide Council by email with copies of documents showing the existence of the errors and omissions insurance and written agreement required by those two Rules, respectively.

Sincerely,



Patrick F. Lewis
Vice-Chair
Financial Services Tribunal

In the Matter of

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

and

The INSURANCE COUNCIL OF BRITISH COLUMBIA
(“Council”)

and

FRANSEN INSURANCE SERVICES LTD.
dba SEA TO SKI INSURANCE SERVICES
(the “Agency”)

and

ANTONY RONALD FRANSEN
(the “Nominee”)

DECISION AND ORDER
UNDER SECTIONS 231 & 238 OF THE ACT

WHEREAS, pursuant to section 232 of the Act, Council commenced an investigation into allegations that the Agency, a general insurance agent, placed insurance coverage for clients and collected insurance premiums from those clients, but failed to remit all collected insurance premiums in accordance with its agreements with insurers, managing general agents, or sub-brokers;

AND WHEREAS Council determined that the Agency represented a potential risk to the public pending Council’s investigation, and therefore made a decision pursuant to sections 231 and 238 of the Act (the “Decision”) dated May 21, 2015, to attach conditions to the Agency’s general insurance licence that required the Agency to retain the services of a Chartered Professional Accountant (“CPA”) on or before June 4, 2015; to provide Council with a report from the CPA on or before July 21, 2015 that attests to certain financial information regarding the Agency; to remit a written business plan to Council detailing certain information; and to meet specific trust account requirements for the handling of insurance premiums;

AND WHEREAS the Nominee, who has been the Agency’s principal owner throughout the material time, represented to Council that the Agency had retained the services of a CPA on or before June 4, 2015 as required;

AND WHEREAS the CPA, whom the Nominee claimed had been retained by the Agency, told Council on June 11, 2015 that he had not been retained in accordance with the Decision;

AND WHEREAS the Agency's failure to retain a CPA in accordance with the Decision resulted in the automatic suspension of the Agency's general insurance licence until such time as the Agency is in compliance with all of the licence conditions contained in the Decision;

AND WHEREAS, based on the information provided by the CPA, which was contrary to the information provided by the Agency and the Nominee, Council determined that the Agency did not retain a CPA in accordance with the Decision, and that the Nominee had attempted to mislead Council in this regard;

AND WHEREAS Council determined that the Nominee's attempt to mislead Council, the Agency's failure to retain a CPA as required, and the Agency's mishandling of insurance premiums as set out in the Decision, collectively reflect on the suitability of the Agency and the Nominee and, as a result, represents a risk to the public;

AND WHEREAS, in view of the above, Council concluded that it is in the public interest to suspend the general insurance licences of the Agency and the Nominee and for their licences to remain suspended until such time as Council's investigation into these matters has been completed and considered by Council;

AND WHEREAS Council considers the length of time required to make a decision pursuant to section 231 of the Act would be detrimental to the due administration of the Act;

NOW THEREFORE, pursuant to sections 231 and 238 of the Act, Council orders the Agency's general insurance licence and the Nominee's Level 3 general insurance licence are suspended until such time as Council's investigation into these matters has been completed and considered by Council.

TAKE NOTICE that pursuant to section 238 of the Act, the Agency and the Nominee have the right to require a hearing on this order before Council by delivering written notice within 14 days of receipt of this order to Council at Suite 300, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1; alternatively, the Agency and the Nominee may appeal this order to the Financial Services Tribunal.

Dated in Vancouver, British Columbia, on the **19th day of June, 2015**.


Eric Yung
Vice Chairperson, Insurance Council of British Columbia