In the Matter of

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

and

The INSURANCE COUNCIL OF BRITISH COLUMBIA
("Council")

and

CORI-LYNN MAXINE LIVINGSTONE
(the "Licensee")

ORDER

As Council made an intended decision on May 15, 2012, 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 with written reasons and notice of the intended decision dated June 7, 2012; 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, 236 and 241.1 of the Act, Council orders:

1. The Licensee is fined $500.00.

2. The Licensee is assessed Council's investigative costs of $712.50.

3. As a condition of this order, the Licensee is required to pay the above-ordered fine and investigative costs no later than **September 26, 2012**. If the Licensee does not pay the ordered fine and investigative costs in full by this date, the Licensee's general insurance licence is suspended as of **September 27, 2012**, without further action from Council and the Licensee will not be permitted to complete any annual filing until such time as the ordered fine and investigative costs are paid in full.

This order takes effect on the **26th day of June, 2012**.

C. David Porter, LL.B., FCIP, CRM
Chairperson, Insurance Council of British Columbia

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA
("Council")

respecting

CORI-LYNN MAXINE LIVINGSTONE
(the "Licensee")

INTRODUCTION

Pursuant to section 232 of the *Financial Institutions Act* (the "Act"), Council conducted an investigation to determine whether the Licensee acted in compliance with the requirements of the Act. The Licensee is a Level 1 general insurance salesperson.

As part of Council's investigation, on April 16, 2012, an Investigative Review Committee (the "Committee") met with the Licensee to discuss an allegation that she forged her husband's signature on an insurance transaction.

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, were reviewed by Council at its May 15, 2012 meeting. At the conclusion of its meeting, Council accepted the Committee's recommended disposition and 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, 236 and/or 241.1 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.

.../2

FACTS

In May 2011, with her husband's consent, the Licensee forged his signature on two Insurance Corporation of British Columbia ("ICBC") transactional documents, in order to affect the renewal of insurance on his truck. One document pertained to the insurance coverage. The other document was an insurance premium financing agreement. The Licensee explained she was going on vacation with her family and wanted to ensure the renewal of insurance on the truck would not be overlooked upon their return.

After processing the transactions, the Licensee placed the documentation on the desk of a licensed colleague at her office and left a note asking the colleague to sign the documents as the agent of record. According to the Licensee, she was following her employer's protocol by doing so. In particular, she advised that her employer allowed its licensed staff to process their own insurance provided that insurance documents are signed off by another licensed staff member. The employer did not agree with the Licensee's comments and ultimately terminated her employment as a result of the forgeries.

ANALYSIS

While Council was sympathetic to the Licensee's situation in that she had no intention to prejudice any party and was acting to convenience her husband, it nonetheless determined she failed to act in a trustworthy manner, contrary to the Code of Conduct, and forging a signature should not be tolerated under any circumstance.

Council noted fines of $1,000.00 had been imposed on licensees in the past for similar conduct; however, it did not believe such a fine would be appropriate in this case. It reasoned the Licensee had already experienced financial consequences from her misconduct after the termination of her employment and remained unemployed for approximately one and a half months. Council also took into consideration that the Licensee was very contrite; she appeared to still be affected by the incident; and, by all accounts, the matter was an isolated situation which was not indicative of her normal practice.

Accordingly, in this instance, Council felt a $500.00 fine would be an appropriate balance between the need to deter the Licensee and the industry from similar conduct, and the effect of additional punitive measures on the Licensee.

INTENDED DECISION

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

1. Fine the Licensee $500.00; and

2. Assess the Licensee Council's investigative costs of $712.50.

The Licensee is advised that should the intended decision become final, the costs and fine which will form part of the order, will be due and payable within 90 days of the date of the order.

The intended decision will take effect on **June 26, 2012**, 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 **June 25, 2012**. 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 **June 25, 2012**, 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 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 **7th day of June, 2012**.

For the Insurance Council of British Columbia

Gerald D. Matier
Executive Director

GM/cc