

**DECISION**  
**of the**  
**GENERAL INSURANCE COUNCIL OF MANITOBA**  
**(“Council”)**  
**respecting**  
**LACEY GLOWA**  
**(“Licensee”)**

**INTRODUCTION**

The General Insurance Council of Manitoba (the “Council”) derives its authority from *The Insurance Act* C.C.S.M. c. 140 (the “Act”) and the *Insurance Councils Regulation 227/91*.

Following an enquiry regarding the reporting of a prior Driving while Ability Impaired offence – a criminal code conviction – during the Licensee’s re-application process, an investigation was conducted pursuant to sections 375(1) and 396.1(7) (e) of the *Act* and section 7(2) (e) of *Regulation 227/91*. The purpose of the investigation was to determine whether the Licensee had violated the *Act* and/or the General Insurance Agent Code of Conduct (“*Code of Conduct*”). During the investigation the Licensee was provided an opportunity to make submissions.

On November 23, 2016, during a meeting of the Council, the evidence compiled during the investigation and the position of the Licensee were reviewed. Upon assessment of the evidence, Council determined its intended decision. Pursuant to sections 375(1) and 375 (1.1) of the *Act* and *Regulation 227/91*, the Council now confirms its decision and corresponding reasons.

**ISSUES**

1. Did the Licensee fail to advise the Council of a material change within fifteen (15) days, as required?
2. Did the Licensee make a material misrepresentation on her 2015 agent Licence Renewal Application and falsely attest in the declaration?

**FACTS AND EVIDENCE**

1. On May 30, 2014, the Licensee declared the following on her Licence Renewal Application: “I agree to notify Council within 15 days of any material changes to the

information contained in this application.” One of the Main Screening Questions on this application was question 4 – Been charged with, or convicted of a criminal offence?

2. In October 2014, the Licensee was charged with impaired driving and on November 21, 2014, she signed an order of prohibition/notice of suspension with respect to the conviction.
3. The Licensee did not report this material change to Council within 15 days.
4. On May 26, 2015, the Licensee completed an application for the renewal of her licence. The Licensee did not report the conviction on her May 26, 2015, Licence Renewal Application. The Licensee answered “no” to the Main Screening Question 4 – Been charged with, or convicted of a criminal offence? She declared that all information on the application was true, and accepted the responsibility for the answers and undertakings with an understanding that a false declaration on the application could lead to disciplinary action. She agreed that she would report any material changes within 15 days.
5. On May 24, 2016, the conviction came to the attention of the Agency's Training & Compliance Co-ordinator who enquired of the Insurance Council of Manitoba's (ICM) Senior Licensing Officer whether a November 2015 DUI would cause a problem for licensing.
6. The Licensee did not renew her agent licence prior to June 1, 2016.
7. On July 20, 2016, the Licensee completed and affixed her signature to an Application for Reinstatement of Licence in which she answered “yes” to Question 5: Been charged with, or convicted of a criminal offence? She failed to provide the details of the conviction as required in the application.
8. Council requested and received a current Criminal Record Check which showed no other charges or convictions.
9. The Licensee stated that it had never been her intention not to disclose the information. She had assumed it was to be reported once the suspension was over and the fine paid. This was the first licence renewal since that had been the situation.
10. On September 30, 2016, the Licensee's licence was reinstated.

## **ANALYSIS**

The Licensee was charged with a criminal code offence in October 2014 and convicted on November 21, 2014.

Based on her 2014 agent licence renewal declaration, she was required to report the conviction within 15 days. However, she failed to report the criminal code conviction.

On May 26, 2015, the Licensee, in completing her Licence Renewal Application, answered “no” to Question 4 – Been charged with, or convicted of a criminal offence? Further she attested that all answers were true in that application.

The Licensee violated *the Act* s. 375 (1) (a) misrepresentation and *Code of Conduct* s.1 Integrity.

Council noted that when a conviction is reported to the Council is not at the discretion of a licence holder. While the Licensee failed to report the material change within the fifteen (15) day requirement, it was the false response and declaration on the 2015 application which was of a larger concern for the Council. Council places a strong reliance on the true and accurate statements made by the Licensee on licence applications. Agents are required to act with integrity in matters in dealing with a number of parties including the regulator, making this matter one of grave concern to the Council.

Council noted the mitigating factor that the Licensee self-reported in July 2016.

### **PENALTY AND FINAL DECISION**

Council's Decision dated September 13, 2017, was delivered by registered mail to the Licensee on September 15, 2017. The Decision outlined the foregoing background, analysis, and conclusions. Having regard to the determination of the violations aforesaid, and pursuant to sections 375(1.1) (c) and (d) of *the Act* and section 7(1) of *Regulation 227/91*, the following penalties are imposed on the Licensee, namely:

1. The Licensee be fined \$500.00 and assessed partial investigation costs of \$300.00.

As part of its Decision, Council further informed the Licensee of her right to request an Appeal to dispute Council's determinations and its penalty/sanction. The Licensee expressly declined her right, chose not to pursue a statutory Appeal, and accepted this Decision.

The Decision is therefore final. In accordance with Council's determination that publication of its decisions are in the public interest, this will occur, in accordance with sections 7.1(1) and (2) of *Regulation 227/91*.

Dated in Winnipeg, Manitoba on the 10th day of October, 2017.