

FSCO FILE – AB093-2011

Superintendent of Financial Services

Regarding the Insurance Act, R.S.O. 1990, c.1.8, as amended, particularly Part XIV

AND REGARDING a hearing concerning the suspension or revocation of the life insurance agent licence of Kuldip Randhawa

DECISION AND ORDER

Introduction:

A Notice of Opportunity for Hearing dated July 7, 2011 (the Notice) informed Kuldip Randhawa of allegations against her and the opportunity for a hearing before an Advisory Board. The Notice advised Ms. Randhawa if a hearing was not requested the Superintendent would make a decision based on information in the possession of the Financial Services Commission of Ontario (the Commission). Ms. Randhawa was also advised that such decision could include suspension or revocation of her licence as a life insurance agent. The hearing was conducted on September 7, 2011.

The allegations were set out in Schedule “1” as attached.

Neither Ms Randhawa nor a representative attended the requested hearing.

The report of the Advisory Board is attached.

Finding of the Advisory Board

The Advisory Board found the three allegations to be established. I hereby accept the findings of the Advisory Board.

Recommendation of the Advisory Board

The Advisory Board recommended that Ms Randhawa’s licence as an insurance agent be revoked.

The Advisory Board set out the factors it considered in making its decision. The Advisory Board noted that Ms Randhawa had been given ample opportunity to remedy her non-compliance and did not do so, and that there is evidence that she had not taken any continuing education since first being licensed. The Advisory Board also noted that she failed to take the opportunity to appear at a hearing and explain her behaviour. Accordingly there are no mitigating factors to consider. The Advisory Board considered her to be not governable by the Commission.

The Advisory Board noted that on the day of the hearing, Ms Randhawa sent a letter to the Commission requesting temporary suspension of her licence until further notice.

Decision:

The Advisory Board has found that Ms. Randhawa did not complete the continuing education requirement of Regulation 347/04, that she failed to facilitate an examination and that she is not suitable to hold a licence as an insurance agent.

Regulation 347/04 requires the completion of thirty hours of continuing education in each two year licence period. This Ms. Randhawa failed to do, and a penalty is warranted. The penalties imposed in other cases have typically been suspensions in the range of 30 to 90 days. However more serious penalties, including revocation of licence, have also been imposed. These serious penalties have been ordered in circumstances such as agents that did not indicate any intention of completing the continuing education requirement or through their refusal to co-operate with the Commission demonstrated that they were not prepared to be regulated.

In this case, Ms Randhawa did not respond to several requests for information from the Commission. The Insurance Act imposes a duty on licensed persons to facilitate an examination. Responding to information requests is an attribute of a person suitable to be an insurance agent.

While Ms Randhawa requested a hearing, neither she nor a representative attended the hearing. Accordingly there are no explanations for her behaviour, nor is there any demonstrated interest in maintaining her licence as an insurance agent. She also requested that her licence be suspended.

Accordingly considering the lack of suitability as demonstrated by the

failure to respond to the Commission, the absence of any intention to complete the continuing education requirements that are designed to protect the public, the failure to attend a hearing that she requested, the demonstrated lack of governability, and the lack of interest in maintaining her licence, I believe that the appropriate penalty is revocation of Ms Randhawa's licence as an insurance agent.

ORDER

Accordingly, the life insurance agent licence of Ms Kuldip Randhawa is hereby revoked by this order.

Dated at Toronto, this fourteenth day of November, 2011

Grant Swanson
Executive Director, Licensing and Market Conduct
by delegated Authority from
Superintendent of Financial Services

Schedule 1

The following allegations were set out in the Notice

1. Randhawa failed to comply with the statutory requirement to complete 30 hours of continuing education within the 2-year period before her previous licence expired on May 29, 2009.
2. Randhawa failed to comply with the statutory requirement to facilitate an examination because she failed to respond to 6 communications from the Commission.
3. Randhawa's failure to comply with the statutory requirement to complete 30 hours of continuing education and her failure to comply with the statutory requirement to facilitate an examination show that she is not a suitable person to hold a life insurance and accident and sickness insurance agent licence in Ontario.