

In the Matter of the

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

and the

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

and

**YUANFENG (JACK) JU**  
(the “Former Licensee”)

**ORDER**

As Council made an intended decision on December 10, 2024, pursuant to sections 231, 236, and 241.1 of the Act; and

As Council, in accordance with section 237 of the Act, provided the Former Licensee with written reasons and notice of the intended decision dated February 3, 2025; and

As the Former Licensee has not requested a hearing of Council’s intended decision within the time period provided by the Act;

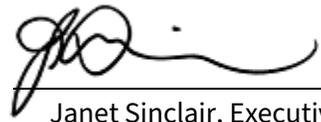
Under authority of sections 231, 236, and 241.1 of the Act, Council orders that:

- 1) The Former Licensee is fined \$7,000, to be paid by June 4, 2025;
- 2) The Former Licensee is required to complete the following courses, or equivalent courses, as acceptable to Council, prior to being licensed in the future:
  - a. the Council Rules Course for General Insurance Agents, Salespersons and Adjusters;
  - b. Ethics and the Insurance Professional course, available through the Insurance Institute of Canada(collectively, the “Courses”);
- 3) The Former Licensee is assessed Council’s investigation costs in the amount of \$2,450, to be paid by June 4, 2025;
- 4) Council will not consider an application for any insurance licence from the Former Licensee for a period of one year, commencing on March 6, 2025, and ending at midnight on March 5,

2026, and until the fine and investigation costs are paid in full and the Courses have been completed; and

- 5) Council will not consider an application for a general insurance agent licence from the Former Licensee until the Former Licensee has been actively licensed for one year as a Level 1 general insurance salesperson.

This order takes effect on the **6<sup>th</sup> day of March, 2025.**



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Janet Sinclair, Executive Director  
Insurance Council of British Columbia

## **INTENDED DECISION**

of the

### **INSURANCE COUNCIL OF BRITISH COLUMBIA**

(“Council”)

Respecting

#### **YUANFENG (JACK) JU**

(the “Former Licensee”)

1. Pursuant to section 232 of the *Financial Institutions Act* (the “Act”), Council conducted an investigation to determine whether the Former Licensee acted in compliance with the requirements of the Act, Council Rules and Code of Conduct relating to allegations that the Former Licensee regularly processed Insurance Corporation of British Columbia (“ICBC”) one-year vehicle insurance Autoplan policies that were then cancelled days later. Additionally, Council investigated whether the Former Licensee processed ICBC transactions for his spouse’s vehicle contrary to ICBC Autoplan policies.
2. On August 21, 2024, as part of Council’s investigation, a Review Committee (the “Committee”) comprised of Council members met via video conference with the Former Licensee to discuss the investigation. An investigation report prepared by Council staff was distributed to the Committee and the Former Licensee prior to the meeting. A discussion of the investigation report took place at the meeting and the Former Licensee was given an opportunity to make submissions and provide further information. Having reviewed the investigation materials and after discussing the matter, the Committee prepared a report for Council.
3. The Committee’s report, along with the investigation report were reviewed by Council at its December 10, 2024, meeting, where it was determined the matter should be disposed of in the manner set out below.

#### **PROCESS**

4. Pursuant to section 237 of the Act, Council must provide written notice to the Former Licensee of the action it intends to take under sections 231, 236 and 241.1 of the Act before taking any such action. The Former 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 Former Licensee.

#### **FACTS**

5. The Former Licensee first became licensed with Council as a Level 1 general insurance salesperson on October 6, 2016. He became a Level 2 general insurance agent (“Level 2 Agent”) on April 11, 2018. At his own request, the Former Licensee cancelled his Level 2 Agent licence, effective July 5, 2024. The Former Licensee held an authorization to represent (“ATR”) Agency A from October 6, 2016, to March 31, 2017. From April 3, 2017, to December 9, 2017, he held an ATR with Agency B. The Former Licensee held an ATR with an agency (the “Agency”) from December 15, 2017, to March 28, 2020, when he resigned from his position at the Agency. From April 1, 2020, to October 1, 2020, he held an ATR with

Agency C. From October 1, 2020, to September 23, 2021, he held an ATR with Agency D. From May 12, 2021, to July 12, 2024, he held an ATR with Agency E. From June 22, 2021, to August 10, 2021, the Former Licensee held an ATR with Agency F.

6. On July 4, 2018, and February 16, 2020, ICBC issued Broker News Bulletins on Licensing Vehicles Appropriately and Some Important Reminders for Temporary Operation Permits (“TOP”). ICBC reminded Autoplan agents that when a vehicle is licensed, it must be for the purpose of operation on a British Columbia highway. If a licensee is aware that the only reason a policy is being sold is to facilitate the export of the vehicle, and the intention of the customer is to cancel the policy within days of issuance, the customer should only be sold a TOP.
7. On May 14, 2021, Council issued a Production Order to ICBC requesting various documents, including records from July 4, 2018, to May 14, 2021, where an agency, or a licensee in the same agency office, placed more than 40 one-year policies on newer vehicles that were subsequently cancelled and transferred within 30 days.
8. The records from ICBC demonstrated that between January 22, 2019, and July 31, 2020, the Former Licensee issued 23 one-year Autoplan policies on new or newer luxury vehicles. All 23 policies were cancelled within 30 days. Of the 23 policies, the Former Licensee processed the cancellation of two one-year policies, both of which were cancelled nine days after the initial placement dates. The cancellations of the other 21 one-year Autoplan policies were conducted by other agents.
9. Furthermore, on March 8, 2021, Council received a complaint from AC, president of the Agency. AC claimed that the Former Licensee had fraudulently processed two ICBC Autoplan transactions. Documents provided by ICBC included a report prepared by ICBC’s Special Investigation Unit (“SIU”) relating to ICBC’s investigation of the Former Licensee.

#### *ICBC Investigation*

10. In ICBC’s investigation, it was discovered that on March 13, 2020, the Former Licensee processed an APV250, Owner’s Certificate of Insurance and Vehicle Licence (“APV250”) and an APV9T, Transfer/Tax Form (“APV9T”) in the name of GL for the purchase and placement of a one-year policy for a 2020 BMW. On the same day, the Former Licensee processed the transfer of ownership of the same vehicle back to the dealership.
11. On March 18, 2020, the Former Licensee processed an APV250 and an APV9T in YL’s name to purchase and place a one-year policy for a 2020 BMW. This was noted to be the exact vehicle in GL’s March 13, 2020, transaction, as identified by the Vehicle Identification Number (“VIN”). YL advised the SIU Officer that she did not visit the dealership on March 18, 2020, to purchase a BMW vehicle, nor did she acquire any insurance or meet with an insurance agent during this time. YL also stated that the signatures on the insurance document were not hers.

12. On March 24, 2020, the Former Licensee processed an APV250 and an APV9T in the name of GL for the purchase and placement of a one-year policy for a 2020 BMW purchased from a dealership. This policy was cancelled by the Former Licensee on April 3, 2020, during the time he held an ATR with Agency C. A monthly payment plan agreement was set up for this policy with a bank account number that was the same bank account number used for YL.
13. On March 24, 2020, the Former Licensee processed an APV250 and an APV9T in the name of YT for the purchase and placement of a one-year policy for a 2020 BMW purchased from a dealership. This vehicle was the same model as in GL's March 24, 2020, transaction, although it had a different VIN. This policy was cancelled by the Former Licensee on April 2, 2020, when he held an ATR with Agency C. A monthly payment plan agreement was set up for this policy with the same bank account number used for the March 24, 2020, purchase under GL's name. This bank account number was also used in the transaction for YL.
14. GL advised the SIU Officer that she did not purchase any vehicles from the dealership on March 13 and 24, 2020, nor did she meet with an insurance agent. GL stated that she suspected her and her spouse, YT, may have been victims of identity theft. YT advised the SIU Officer that he did not purchase a BMW on March 24, 2020, nor did he obtain any insurance for the vehicle. YT also confirmed that the signatures on the transfer documents were not his.
15. On March 15, 2021, RCMP Constable NK provided the Council investigator with information relating to GL, YL and YT. Constable NK advised on April 2, 2020, he was assigned an identity theft fraud file that involved the purchases of two vehicles by spouses GL and YT. GL and YT stated that they did not purchase or have any knowledge of the vehicles and that they were missing their BC Hydro bill. Constable NK interviewed the Former Licensee. The Former Licensee explained that the finance manager at the dealership would send all sales packages and verify the client's identity. Constable NK advised the Council's investigator that the RCMP investigation was closed, with no charges pending. Constable NK further advised that on April 10, 2020, the vehicle registered in YT's name was located and seized by the Delta Police Department at the Delta Ports. The car was returned to the manufacturer.

*Former Licensee response to Council's investigation*

16. On February 1, 2022, and December 12, 2022, the Former Licensee provided emails to the Council investigator outlining his response to the complaint made by AC.
17. In the email dated February 1, 2022, the Former Licensee stated that he was aware of the ICBC Broker News Bulletins relating to reminders for issuing a TOP. The Former Licensee stated that he understood this communication to mean that when issuing a licence plate and insurance policy for a vehicle, it must be for the purpose of operation in British Columbia. The Former Licensee understood that a TOP is required if the agent knows the customer intends to cancel a policy within days of the policy being issued.

18. The Former Licensee stated that he worked at several dealerships in Vancouver, Richmond and Burnaby. He explained that customers would not inform him in advance that a policy would be cancelled within days of being issued. The Former Licensee stated that he was unaware which vehicle(s) were being purchased with the intention of being exported out of the province or country. He denied being aware of the vehicle exportation business, facilitating it, or engaging in short-term policy cancellations.
19. The Former Licensee explained his reasons for issuing one-year policies rather than TOP by stating, *“I didn’t know which vehicle will not [sic] going to be driven in Canada...the dealerships require full coverage of the car insurance for one full year term for any single new or newer-model vehicles, especially luxury vehicles. Any agent will be banned by the dealership if didn’t [sic] follow this rule or issues a TOP for a brand new car especially luxury vehicles. This was strongly demanded by the financial department of the dealerships and had been approved by the president & manager of my brokerage. The boss of my brokerage requires us to issue one full year term of the auto insurance as much as possible under any possible situation in those dealerships.”*
20. In the email dated December 12, 2022, the Former Licensee stated that as part of his usual practice, he always asked the client what the vehicle would be used for, such as whether it was for family, personal or work/business use. He stated that he could not recall precisely how the clients responded to the question relating to the purpose of vehicle use as the transactions occurred over three years ago.
21. The Former Licensee denied any knowledge that the transactions processed for GL, YL and YT were fraudulent. As these transactions took place in March 2020, at the outbreak of the COVID-19 pandemic, the Former Licensee stated that all transactions that took place at that time involved clients who wore protective masks. The Former Licensee stated that he was unable to see the client’s full face because they were wearing protective masks. The Former Licensee advised that he relied on the dealership, specifically, the finance managers, to ensure that the individuals brought to him had been verified by the dealership as being who they said they were. The Former Licensee stated that because of the protective face masks, he was not able to confirm that the person in front of him was the same person in the identification documents (“ID”) provided. The Former Licensee stated that he had no reason to believe the individuals in front of him were not the individuals as presented in their ID. As for GL, YL and YT, the Former Licensee could not recall each individual he processed ICBC Autoplan insurance for but reiterated that he would have been unable to see the individual’s full face due to the safety measures in place in March 2020. The Former Licensee further stated that he would not have asked someone to take their face mask off to verify that their face was the same as the individual on the ID, as this was during the height of the pandemic, and he would “not dare” to ask someone to remove their mask. The Former Licensee stated that he may have conducted five or more Autoplan transactions in a day and would be unable to recall every transaction that he had processed.
22. The Former Licensee, in his emails to the Council investigator and throughout the Review Committee meeting, reiterated that although he was aware of ICBC directives, there was a lot of pressure placed on the Autoplan agents to process policies to keep the finance managers at the dealerships happy. The Former Licensee stated that if he did not do what the finance managers wanted, they would

either complain to the dealership management or the Former Licensee's boss, the president of the Agency, AC. At the Review Committee meeting, the Former Licensee described a situation in which another agent issued one or two TOP policies, and that agent was banned from attending the dealership and was made an in-office agent at the Agency. The Former Licensee described himself as feeling extremely pressed by AC and the dealerships to issue one-year Autoplan policies, or he would have been banned from being the agent at the dealership. The Former Licensee made several submissions that he had no knowledge of, or way of, knowing that any of the Autoplan transactions that he processed would be cancelled within a few days or that the vehicles would be exported out of the country. The Former Licensee further stated that only 23 of the many Autoplan transactions he processed resulted in a cancellation within 30 days. The Former Licensee further submitted that he was only involved in the cancellation of two of the policies, reinforcing his submissions that he had no knowledge that any of the customers intended to cancel their one-year Autoplan policies shortly after they had been placed.

23. As a result of ICBC's investigation on August 10, 2021, ICBC prohibited the Former Licensee from conducting ICBC Autoplan business and accessing ICBC's Broker Connect for at least two years. The Former Licensee stated that due to the loss of Autoplan business, he was ultimately let go from Agency F, as he could not conduct the business he was hired to complete. Additionally, as the Former Licensee did not have many clients or business outside of Autoplan, he decided not to continue with his insurance licence as his main source of income was from Autoplan policies, which he could not sell.

*The Former Licensee's spouse's policy*

24. On August 4, 2019, the Former Licensee processed and placed a one-year policy for his spouse, for a 2019 BMW. On October 25, 2019, the Former Licensee cancelled his spouse's Autoplan policy.
25. At the Review Committee meeting, the Former Licensee was questioned regarding the August 4, 2019 transaction for the vehicle that was registered and bought under his spouse's name. He stated that he and his spouse were looking for a new vehicle, as the lease on his Audi was going to end shortly. When questioned further, the Former Licensee stated that he believed his Audi lease was due to expire in January or February of 2021. On August 4, 2019, the Former Licensee's spouse purchased a BMW by financing the vehicle. Additionally, the Licensee processed the APV250 and APV9T for his spouse's vehicle at the time of purchase. The Former Licensee stated that his spouse only drove the vehicle once or twice during the period of ownership. He then explained how a salesperson at the dealership asked to borrow the vehicle from the Former Licensee with an agreement to pay or help pay the monthly payment while the car was loaned. The Former Licensee denied being close to this salesperson and stated that they only had a working relationship. The Former Licensee further stated that he did not think there would be any issues with lending the vehicle because the vehicle was financed so the car ownership could not be transferred unless the vehicle loan was settled.
26. At some point, ownership of the vehicle was later transferred to another party without the consent of the Former Licensee or the Former Licensee's spouse. The Former Licensee reported this to the police

but was advised that it was a civil matter between him and the other party. The Former Licensee believes that the vehicle was exported without his consent. Additionally, the Former Licensee explained that he was a victim in this situation as the dealership still required payment of the full financing amount of the vehicle, even though the Former Licensee and his spouse no longer had possession of the vehicle or knew where it was located. The Former Licensee told the Committee that his father-in-law ultimately helped them pay off the vehicle loan, and that he and his spouse lost close to \$100,000 as a result of this incident.

27. When asked why he had processed Autoplan policies for his spouse, the Former Licensee stated that he believed he was allowed to conduct her insurance transactions and that the agencies he worked for had encouraged this behaviour. The Former Licensee stated that he did not know that conducting transactions for his spouse was a conflict of interest, as this is what he was told to do at the first agency he was employed at in 2016.

## **ANALYSIS**

28. Council concluded that the Licensee repeatedly processed and collected commissions for one-year Autoplan insurance policies where the Licensee ought to have known the transactions were suspicious or that they would be cancelled shortly after being issued and were not intended for the purpose of operation on a BC highway. The Former Licensee stated that he was aware of the July 4, 2018, and February 16, 2020, ICBC Bulletins relating to the issuance of TOP; however, it appeared to Council that the Former Licensee wanted to keep a position within the dealerships as their Autoplan agent instead of adhering to the directives of the insurer. The Former Licensee recalled an incident in which another agent was “banned” from a dealership because they issued one or two TOP policies, which resulted in the dealership complaining or requesting that the agent be removed from the dealership. The Former Licensee reiterated the pressure he felt by AC and the dealerships that he should not issue a TOP. Council, in these circumstances, has determined that the Licensee knew about the TOP requirements, as stated by himself, and did not make inquiries or chose to be blind to the fact that many of the policies did not require a one-year Autoplan policy and in fact required a TOP. The Former Licensee should have known that issuing and then cancelling the 23 one-year Autoplan policies was contrary to the procedures and interests of ICBC. The Former Licensee acted in his best interests to continue conducting Autoplan transactions within the dealerships, when he knew or should have known that his actions were not in line with the insurer, ICBC’s authority.

29. Council further noted competency concerns relating to the Former Licensee’s practice, as the Transfer/Tax Form (APV9T) has a section that is to be completed by an Autoplan agent. In this section, the agent is to write down the type of identification and identification number of the purchaser. The Former Licensee signed the declaration that he “viewed the purchasers’ identification or confirmed legal entity and verified the ‘Autoplan Agent to complete’ information” on the forms. However, he did not actually note what identification was used to verify the identity of the purchasers for the transfer of vehicles purchased by GL, YL and YT from the dealership.

30. Council was further concerned by the Former Licensee conducting Autoplan transactions for his spouse. The Former Licensee, as a Level 2 Agent, should have been aware that conducting Autoplan transactions for a spouse would be contrary to ICBC directives and would place the Former Licensee in a conflict-of-interest situation. The Former Licensee stated at the Committee meeting that he had taken the required training courses from ICBC directly and, therefore, would or should have been aware of his obligations to ICBC.
31. Council concluded that there was insufficient evidence to suggest that the Former Licensee was aware that the registrations to GL, YL and YT were fraudulent, as it is plausible that the Former Licensee's submissions relating to protective masks obscuring the face of purchasers would make it difficult for him to determine if those individuals were different from the individuals in the IDs provided to the Former Licensee by the finance manager at the dealership.
32. Additionally, Council had concerns relating to the purchase of the Former Licensee's spouse's vehicle. The situation in which the Former Licensee loaned the brand-new vehicle to an acquaintance at the dealership did not follow normal behaviour or what a reasonable person would have done in the circumstances. Council further questioned why the Former Licensee stated that he did not have concerns about loaning the vehicle because there was financing in place, so that no transfer of ownership could be conducted until the financing was paid. Council determined that these circumstances were suspicious and put doubts in Council's mind regarding the Former Licensee's motivations to participate in the arrangement of loaning his spouse's newly financed BMW.
33. Given all the factors, Council found the Former Licensee did not conduct himself in a manner consistent with the usual practice. Council considered the impact of Council Rule 7(8) and Council's Code of Conduct guidelines on the Licensee's conduct, specifically, section 4 ("Good Faith"), section 5 ("Competence"), section 7 ("Usual Practice: Dealing with Clients") and section 8 ("Usual Practice: Dealing with Insurers") of the Council's Code of Conduct. Council concluded that the Former Licensee's conduct amounted to breaches of the above Council Rule and Code of Conduct sections and the professional standards set by the Code of Conduct.

## PRECEDENTS

34. Council took into consideration the following precedent cases. While Council is not bound by precedent and each matter is decided on its own facts and merits, Council found that these decisions were instructive in providing a range of sanctions for similar types of misconduct.
35. [Anthony Bryan Chua Cua](#) (February 2021) concerned a Level 2 general insurance agent licensee who unethically profited from commissions received from ICBC by regularly processing one-year vehicle insurance policies for an automobile dealership engaged in the export of vehicles out of Canada, and then cancelling the policies several days later. The licensee was found to have processed at least 129 transactions for the dealership and had served as a straw buyer on two occasions by purchasing two vehicles using funds provided by the dealership. In total, the licensee earned over \$24,000 in commissions from ICBC. Council found that the licensee's actions demonstrated an overall lack of

trustworthiness and good faith and were exploitative of ICBC and its commissions system. In terms of mitigating factors, Council believed that the remorse shown by the licensee was genuine and noted that the licensee was a relatively inexperienced agent with no previous disciplinary history at the time of the misconduct. Most notably, Council considered that the licensee had already experienced sanctions from ICBC, having had his Autoplan privileges suspended for a year and being required to complete courses. As for aggravating factors, Council found that the licensee's actions were financially motivated and demonstrated a lack of due diligence and an incredible amount of wilful blindness. Council believed its decision should send a message to the insurance industry and public that generating commissions by processing exploitative transactions is not acceptable to Council, and that licensees should self-correct and seek guidance and clarification in situations in which they suspect there may be ethical problems. Council ordered that the licensee's general insurance licence be suspended for a period of one year and downgraded to a Level 1 Salesperson general insurance licence for a period of one year of active licensing. The licensee was also fined \$7,000 and assessed investigation costs.

36. [Ting En \(Brian\) Lin](#) (February 2021) concerned a Level 2 general insurance agent and a life and accident and sickness insurance agent licensee who unethically profited from commissions received from ICBC by regularly processing one-year vehicle insurance policies for an automobile dealership engaged in the export of vehicles out of Canada, and then cancelling the policies several days later. The licensee was found to have processed at least 30 transactions while employed at two insurance agencies and had served as a straw buyer on three occasions by purchasing vehicles using funds provided by the dealership. Council determined that the licensee had facilitated grey market transactions involving the export of luxury vehicles. Council found that the licensee's actions demonstrated an overall lack of trustworthiness and good faith and were exploitative of ICBC and its commissions system. In terms of mitigating factors, Council believed that the remorse shown by the licensee was genuine, and considered the licensee to have been open and forthright with information. Most notably, Council considered that the licensee had already experienced sanctions from ICBC, having had their Autoplan privileges suspended for a year and being required to complete courses. As for aggravating factors, Council found that the licensee's actions were financially motivated and demonstrated a lack of due diligence and wilful blindness. Council believed its decision should send a message to the insurance industry and public that generating commissions by processing exploitative transactions is not acceptable to Council, and that licensees should self-correct and seek guidance and clarification in situations in which they suspect there may be ethical problems. Council ordered that the licensee's general insurance licence and life and accident and sickness insurance licence be suspended for a period of six months and downgraded to a Level 1 Salesperson general insurance licence for a period of one year of active licensing. The licensee was required to be supervised for a period of one year. The licensee was also fined \$5,000 and assessed investigation costs.
37. [Peter Hing-Fu Hung](#) (January 2015) concerned a Level 1 Salesperson licensee who worked mostly as a mobile road services agent. Over the course of two days, the licensee completed insurance transactions for two different luxury vehicles, for an individual who was later found to have been an imposter. There were suspicious circumstances involved with the transactions, but the licensee did not put notation on the transaction documents or take any other action to flag suspicions to ICBC or

his supervisor. Council believed that the licensee had “turned a blind eye” to the suspicious circumstances, and that he had not appreciated his responsibilities when conducting suspicious transactions. The licensee was fined \$1,000, assessed costs of \$2,625, and required to complete three ICBC courses. The licensee was also required to complete the Insurance Brokers Association of British Columbia’s Ethics for Insurance Brokers course and was only allowed to conduct insurance business from his agency’s office until his courses were completed.

38. [Wendy Chui Ping Kwan](#) (July 2022) concerned a Level 2 agent licensee who processed her own ICBC Autoplan transactions since the early 1990s and misrepresented the principal operator of her personal vehicle on several ICBC policies. The misrepresentation came to light after ICBC’s investigation into the licensee’s stolen vehicle claim. ICBC prohibited the licensee from conducting Autoplan business for nine months. By processing her own insurance transactions, Council found that the licensee engaged in a clear conflict of interest. Council determined that the licensee ought to have known that her conduct was unacceptable, given that the licensee had over 30 years of experience in the insurance industry. In addition, the licensee made material misstatements to Council during its investigation. The licensee derived a financial benefit from her misconduct, as the misrepresentation led to reduced premiums to the detriment of ICBC. Council accepted that the licensee did not have a prior discipline history with Council. The licensee was suspended for one year; had her Level 2 Agent licence downgraded to a Level 1 Salesperson licence for one year; was required to complete an ethics course, the Council Rules Course and the Autoplan Basics program; and was assessed investigation costs of \$2,312.50.
39. [Jasbir \(Jessie\) Singh Minhas](#) (March 2023) concerned a Level 3 agent licensee who processed his own ICBC Autoplan transactions on 13 occasions between September 14, 2016, and January 12, 2019. Additionally, the licensee’s son was involved in a motor vehicle collision where the son was driving the licensee’s vehicle. The son left the scene of the accident. The licensee reported to ICBC that he was the driver involved in the collision and not his son. After an ICBC investigation, it was proven that the son was, in fact, the driver and not the licensee. The licensee admitted that he falsely declared being the driver in the accident when he knew his son had been the driver. ICBC restricted the licensee from conducting ICBC Autoplan business for one year and required him to complete courses. Council determined that the licensee engaged in a conflict of interest by processing his own ICBC transactions, did not respond promptly and honestly to inquiries from Council, and failed to disclose to Council his criminal charges. Council ordered that the licensee be suspended for a period of one year, have his licence downgraded to Level 2 for one year following the suspension, required the licensee to complete courses, and assessed investigation costs of \$2,375.

#### **MITIGATING AND AGGRAVATING FACTORS**

40. Council considered relevant mitigating and aggravating factors in this matter. Council viewed the Former Licensee’s co-operation throughout the investigation as a mitigating factor. A further mitigating factor Council considered was that the Former Licensee has been imposed a two-year prohibition from conducting ICBC Autoplan business, which is a significant penalty as a result of these transactions. The Former Licensee further explained that the ICBC prohibition has caused him

significant financial harm as a result of the loss of business. However, Council found there to be several aggravating factors in this case. The Former Licensee repeated the misconduct over a period of time as opposed to the misconduct being an isolated incident. Additionally, Council determined that the Former Licensee did not understand the impact of his breaches or misconduct. The Former Licensee and all licensees are the gatekeepers to the industry and are expected to practice in good faith. The Former Licensee did not take accountability for his role in aiding a scheme to export vehicles, whether or not he knew of the vehicle export market, by issuing one-year Autoplan policies instead of a TOP.

## **CONCLUSIONS**

41. After weighing all of the relevant considerations, Council found the Licensee to be in breach of the Council's Rules and the Code of Conduct.
42. Council concluded that the Licensee's processing of the transactions demonstrated an overall lack of competence and ability to act in good faith. Council concluded that the Cua precedent was the most instructive and determined that similar sanctions should result.
43. Council concluded that it is appropriate to not consider a licence application from the Former Licensee for a period of one year and to impose a fine of \$7,000. Further, Council determined that if the Former Licensee wants to re-enter the industry, he should be required to hold a level 1 general insurance salesperson licence for one year of active licensing before he is eligible to upgrade his licence. Additionally, Council requires that the Former Licensee complete the Council Rules Course as well as an ethics course.
44. With respect to investigation costs, Council has concluded that these costs should be assessed to the Former Licensee. As a self-funded regulatory body, Council looks to licensees who have engaged in misconduct to bear the costs of their discipline proceedings so that those costs are not otherwise borne by British Columbia's licensees in general. Council has not identified any reason for not applying this principle in the circumstances.

## **INTENDED DECISION**

45. Pursuant to sections 231, 236 and 241.1(1) of the Act, Council made an intended decision that:
  - a. The Former Licensee be fined \$7,000 to be paid within 90 days of Council's order;
  - b. The Former Licensee be required to complete the following courses, or equivalent courses as acceptable to Council, prior to being licensed in the future:
    - i. the Council Rules Course for General Insurance Agents, Salespersons and Adjusters; and

- ii. Ethics and the Insurance Professional course, available through the Insurance Institute of Canada

(collectively, the “Courses”);

- c. The Former Licensee be assessed Council’s investigation costs in the amount of \$2,450, to be paid within 90 days of Council’s order;
- d. Council will not consider an application for any insurance licence from the Former Licensee for a period of one year from the date of Council’s order and until the fine and investigation costs are paid in full and the Courses have been completed; and
- e. Council will not consider an application for a general insurance agent licence from the Former Licensee until the Former Licensee has been actively licensed for one year as a Level 1 general insurance salesperson.

46. Subject to the Former Licensee’s right to request a hearing before Council pursuant to section 237 of the Act, the intended decision will take effect after the expiry of the hearing period.

#### **ADDITIONAL INFORMATION REGARDING FINES/COSTS**

47. Council may take action or seek legal remedies against the Former Licensee to collect outstanding fines and/or costs, should these not be paid by the 90-day deadline.

#### **RIGHT TO A HEARING**

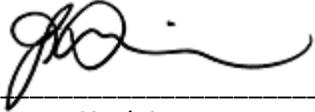
48. If the Former Licensee wishes to dispute Council’s findings or its intended decision, the Former Licensee may have legal representation and present a case in a hearing before Council. Pursuant to section 237(3) of the Act, to require Council to hold a hearing, the Former Licensee **must give notice to Council by delivering to its office written notice of this intention within fourteen (14) days of receiving this intended decision.** 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 Former Licensee does not request a hearing within 14 days of receiving this intended decision, the intended decision of Council will take effect.**

49. Even if this decision is accepted by the Former Licensee, pursuant to section 242(3) of the Act, the British Columbia Financial Services Authority (“BCFSA”) still has a right of appeal to the Financial Services Tribunal (“FST”). The BCFSA has thirty (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.bcfst.ca](http://www.bcfst.ca) or visit the guide to appeals published on their website at <https://www.bcfst.ca/app/uploads/sites/832/2021/06/guidelines.pdf>.

Intended Decision  
Yuanfeng (Jack) Ju  
COM- 2021-00099, COM- 2022-00034, LIC-2016-0001297-R01  
February 3, 2025  
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Dated in Vancouver, British Columbia, on the **3<sup>rd</sup> day of February 2025.**

For the Insurance Council of British Columbia

A handwritten signature in black ink, appearing to read 'Janet Sinclair', written over a horizontal line.

Janet Sinclair  
Executive Director