

**In the Matter of**

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

**and**

**The *INSURANCE COUNCIL OF BRITISH COLUMBIA***  
**("Council")**

**and**

**TINA SUZANNE JANG**  
**(the "Licensee")**

**ORDER**

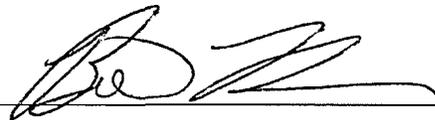
As Council made an intended decision on February 9, 2016, pursuant to sections 231 and 236 of the Act; and

As Council, in accordance with section 237 of the Act, provided the Licensee with written reasons and notice of the intended decision dated March 21, 2016; 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 and 236 of the Act, Council orders that a condition is imposed on the Licensee's general insurance licence which requires the Licensee to successfully complete an errors and omissions course, acceptable to Council, on or before **July 12, 2016**; and if the Licensee does not successfully complete the errors and omissions course by this date, the Licensee's general insurance licence is suspended as of **July 13, 2016**, without further action from Council and the Licensee will not be permitted to complete any annual filing until such time as the ordered errors and omissions course is successfully completed.

This order takes effect on the **12<sup>th</sup> day of April, 2016**.



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Brett Thibault  
Chairperson, Insurance Council of British Columbia

## **INTENDED DECISION**

of the

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

respecting

**TINA SUZANNE JANG**  
(the “Licensee”)

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.

As part of Council’s investigation, on December 7, 2015, a Review Committee (the “Committee”) met with the Licensee, via teleconference, to discuss allegations that the Licensee failed to ensure a client’s policy was renewed.

The Committee was comprised of one voting member and two 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 make further submissions. Having reviewed the investigation materials and after discussing this matter with the Licensee, the Committee prepared a report of its meeting for Council.

The Committee’s report, along with the aforementioned investigation report, were reviewed by Council at its February 9, 2016 meeting, where it was 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 and 236 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.

## **FACTS**

The Licensee was first licensed in 1990 as a Level 1 general insurance salesperson (“Salesperson”), and subsequently upgraded to a Level 2 general insurance agent (“Level 2 agent”) in 2004. The Licensee represents The Whistler Shoppe Ltd., doing business as The Whistler Insurance Shoppe, formerly Brunette Insurance Agencies (Whistler) Ltd., before changing its name in 2010 (the “Agency”). Prior to July 2011, the Agency was owned by the Licensee and another partner. In July 2011, the Agency became part of a larger group of insurance agencies that are affiliated through common ownership. The partner sold his interest, but the Licensee remained a director of the Agency.

The Agency is staffed by the Licensee and two Salespersons. The Salespersons do not have regularly scheduled shifts at the Agency, and neither assist with the Licensee’s files. There is also an unlicensed assistant at the Agency who takes messages and performs other administrative tasks when the Licensee is away from the office.

The Agency’s current nominee (the “Nominee”) became the nominee in June 2012. The Nominee is also the nominee for three other agencies, which are all part of the affiliated group of insurance agencies. The Nominee stated that she attends the Agency approximately once a year, but is in contact with the Agency by telephone on a monthly basis. The Nominee explained that she spends most of her time at one of the other agencies where she is also the nominee.

In February 2015, Council received a complaint from an Agency client (the “Complainant”) that the Licensee had failed to renew the Complainant’s insurance policy when it expired. The Complainant only discovered he was without insurance when he suffered a fire loss.

The Complainant’s insurance was part of a program operated by the Agency for short-term rental properties. The insurance policies offered under the Agency’s program all expired at the same time. In 2013, the program had to be re-marketed with a new insurer, as the underlying insurer no longer insured short-term rentals. This resulted in all the policies under the old program expiring, without automatic renewal.

The Licensee had an expiry list to identify all of the policies affected by the change in the program, and processed the renewals in May and June 2013. After processing all the renewals, the Licensee left on vacation. While on vacation, the Complainant’s spouse contacted the Licensee inquiring about their insurance policy. The Licensee advised that she would forward the policy, credit card authorization for payment, and the invoice as one package. The Licensee did not have access to her files, and did not realize that she had not completed the Complainant’s application for insurance before going on vacation.

Upon her return from vacation, the Licensee processed, invoiced, and mailed to clients all of the policy applications relating to the program. The Licensee did not follow-up with the Complainant and did not realize the Complainant's insurance application had been missed.

The Licensee stated she would have been able to bind the Complainant's coverage had she sent a quote to the insurer, and requested that coverage be issued. However, the Licensee was interrupted when processing the Complainant's insurance, and placed it with the other completed applications for insurance without binding coverage.

The Licensee explained she did not know how to check the expiry list on the Agency's system and was unfamiliar with running expiry lists. The Licensee failed to compare her list of submitted applications for insurance to policies previously issued, and did not create an abeyance system, resulting in the Complainant's insurance application being missed.

Upon learning of the Complainant's loss, the Licensee contacted the Agency's errors and omissions ("E&O") provider, which stepped in to manage the claim. The Licensee stated that she did not report the matter to the Nominee, who only learned of the matter when contacted by Council in February 2015.

## **ANALYSIS**

Council determined that the Licensee failed to properly handle the Complainant's insurance requirements. While acknowledging that an administrative error by the Licensee contributed to the failure to renew the Complainant's insurance, Council found that a lack of administrative and financial procedures was the primary reason.

Council found the Licensee did not use procedural systems, such as running expiry lists and using bring-forward systems, which would have been of assistance. Council accepted that the Licensee has subsequently taken steps to better educate herself; however, Council determined that she would benefit from further education.

Council concluded that the Licensee's failure to renew the Complainant's insurance was an administrative error and did not reflect on the Licensee's overall ability to act in a competent manner, and in accordance with the usual practice of the business of insurance.

## **INTENDED DECISION**

Pursuant to sections 231 and 236 of the Act, Council made an intended decision to impose a condition on the Licensee's general insurance licence that requires her to successfully complete an E&O course, acceptable to Council.

The Licensee is advised that should the intended decision become final, the Licensee will be required to successfully complete the E&O course within 90 days of the date of the order. In addition, failure to successfully complete the E&O course within 90 days, will result in the automatic suspension of the Licensee's general insurance licence, and the Licensee will not be permitted to complete any annual filing until the E&O course is successfully completed as required.

The intended decision will take effect on **April 12, 2016**, 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 **April 11, 2016**. 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 **April 11, 2016**, 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 [fst.gov.bc.ca](http://fst.gov.bc.ca) or contact them directly at:

Intended Decision  
Tina Suzanne Jang  
87122-11813  
March 21, 2016  
Page 5 of 5

Financial Services Tribunal  
PO Box 9425 Stn Prov Govt  
Victoria, British Columbia  
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Reception: 250-387-3464  
Fax: 250-356-9923  
Email: [FinancialServicesTribunal@gov.bc.ca](mailto:FinancialServicesTribunal@gov.bc.ca)

Dated in Vancouver, British Columbia, on the **21<sup>st</sup> day of March, 2016.**

For the Insurance Council of British Columbia



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