In the Matter of the

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

and the

INSURANCE COUNCIL OF BRITISH COLUMBIA
("Council")

and

EUNIROSE SABULA DATOR
(the "Licensee")

ORDER

As Council made an intended decision on June 16, 2026, pursuant to sections 231 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 July 16, 2026; 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 241.1 of the Act, Council orders that:

1. The Licensee is fined $2,500, to be paid by November 9, 2026;

2. The Licensee is required to be supervised by a life and accident and sickness insurance agent, as approved by Council, for a period of 6 months of active licensing, commencing, at the latest, on September 11, 2026;

3. The Licensee is required to complete the following courses, or equivalent courses as acceptable to Council, by February 8, 2027:

    i. The Council Rules Course for Life and/or Accident & Sickness Agents;

    ii. The Compliance Toolkit: Know Your Client and Fact-Finding course, available through Advocis;

iii. The Compliance Toolkit: Know Your Product and Suitability course, available through Advocis; and

iv. The Insurance Council's webinar for Life and/or Accident and Sickness Agents

(collectively, the "Courses");

4. The Licensee is assessed Council's investigation costs in the amount of $2,125, to be paid by November 9, 2026; and

5. A condition is imposed on the Licensee's life and accident and sickness insurance agent licence that failure to obtain a supervisor as required, complete the Courses by February 8, 2027, and pay the fine and investigation costs in full by November 9, 2026, will result in the automatic suspension of the Licensee's licence and that the Licensee will not be permitted to complete the Licensee's 2028 annual licence renewal until such time as the Licensee has complied with the conditions listed herein.

This order takes effect on the **11th day of August, 2026**

Per Janet Sinclair, Executive Director
Insurance Council of British Columbia

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA
("Council")

respecting

EUNIROSE SABULA DATOR
(the "Licensee")

1. 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, Council Rules and Code of Conduct in relation to allegations that the Licensee failed to fulfil her supervisory duties in a competent manner, approved policies without proper documentation or supporting calculations, failed to maintain sufficient supervisory records, and failed to address a supervisee's policy recommendation that did not align with a client's stated objectives.

2. On March 24, 2026, as part of Council's investigation, a Review Committee (the "Committee") comprised of Council members met with the Licensee over video conference to discuss the investigation. An investigation report prepared by Council staff was distributed to the Committee and the Licensee before the meeting. The Licensee made submissions and provided further information to the Committee at the meeting. The Committee prepared a recommendation for Council after reviewing the investigation materials and discussing the matter.

3. Council reviewed the Committee's report and the investigation report at its June 16, 2026, 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 Licensee of the action it intends to take under sections 231 and 241.1 of the Act before taking any such action. The Licensee may then accept Council's decision or, within 14 days, request a formal hearing. This intended decision operates as written notice of the action Council intends to take against the Licensee.

FACTS

5. The Licensee has been licensed with Council as a life and accident and sickness insurance agent ("Life Agent") since July 12, 2013. The Licensee holds an authorization to represent an agency (the "Agency") and has been the nominee of her own agency since December 20, 2018.

6. The Licensee began supervising licensees on November 7, 2017. The Licensee stated that the number of licensees under her supervision has fluctuated over time, ranging from seven to 11 individuals during 2025. As of March 2026, she confirmed that the number of supervisees had decreased to six. She also confirmed that her supervisory role is voluntary and that she does not receive any remuneration for it.

Investigation Regarding the Licensee's Supervisee

7. Council disciplined the Licensee's supervisee, PG ("PG"), on January 7, 2026. PG was subject to an investigation by Council that identified significant compliance concerns with the policies she had sold. The Licensee had overseen 42 insurance applications made by PG and had not found any compliance issues in her review.

8. The Licensee explained that the Agency did not have a system in place at the time of PG's sales to assess product suitability, and that she accepted PG's justification that the products sold reflected what the clients wanted, even though many of the policies lapsed after one or two years.

9. The Licensee also stated that she was unaware of PG's miscalculations of the clients' insurance needs analyses. She did not verify PG's calculations and trusted that they were correct because the insurance needs analysis form automatically calculates the values and cannot be altered.

10. Although the Licensee reported that she had reviewed 42 of PG's applications, Agency records showed that PG submitted 47 insurance applications while under her supervision, suggesting that the Licensee may not have reviewed five applications.

11. Although the Licensee stated that she had terminated her supervision of PG in October 2022, she did not inform Council that she had done so until March 2023.

Improvements to Supervisory Practices

12. The Licensee acknowledged that, in the past, she made the mistake of reviewing client files over the phone with supervised licensees and did not document these reviews or make notes following the discussions. She stated that she has since corrected this practice and now ensures that all communications are adequately documented via email and text messages.

13. The Licensee explained that supervised licensees must now submit a package of documents for each client's insurance application through the Agency's internal portal, which she reviews within 24 hours. The portal allows her to make notes, ask questions and correct errors in each supervised licensee's application. The supervised licensees must make the necessary corrections and receive approval from the Licensee before submitting the application to the insurance company.

14. The Licensee indicated that she has also improved her supervision practices by implementing a new record-keeping process, which includes keeping adequate documentation, increasing the training frequency for supervised licensees from four sessions per month to six sessions, establishing a more thorough review of product recommendations to clients, creating a form for supervised licensees to

record and keep notes from client discussions, and periodically requesting a list of policies written by supervised licensees.

Audited Policy

15. PG's discipline prompted a review of the Licensee's supervisory practices. While the Licensee indicated that she had improved her supervisory practices since reviewing PG's policies, she was asked by Council's investigator to submit recent policy applications she had reviewed. Of the three policies she submitted, only one was a life insurance policy, which Council's investigator then audited.

16. The Licensee had approved the audited policy application, despite it containing multiple inconsistencies and inadequacies. The supervisee calculated that the client needed $1,079,748 in total life insurance coverage and recommended $769,748 in permanent life insurance and $310,000 in temporary life insurance. However, the supervisee did not provide any supporting calculations or rationale to justify how the amounts for each coverage option were determined. Additionally, despite calculating that the client needed $1,079,748 in total life insurance coverage, the supervisee sold a policy with only $225,000 in total life insurance coverage, without addressing the resulting shortfall of $854,748. The supervisee recommended permanent life insurance with cash value accumulation, without mentioning alternative investment options, despite the client's limited registered savings and primary objectives of mortgage protection and retirement savings.

17. On the Financial Needs Analysis form, the supervisee calculated that the client required $260,000 for their mortgage and $900,000 for income replacement, despite there being no mention of any dependents or insurable needs in the client's file. The application designated a sibling and a cousin as the client's beneficiaries; however, the file lacked documentation explaining whether either individual would face any financial dependency, potential economic loss or financial hardship upon the client's death.

18. Although the supervisee presented two product recommendations to the client, the file did not include any calculations explaining how the supervisee arrived at either option. The client file and Reason Why letter also did not contain any justification explaining the preference for permanent life insurance with cash value accumulation over term life insurance alone, given that the client had neither maximized their registered savings nor established any estate liabilities. The client appeared to have a minimal balance in their registered savings, and the supervisee's notes did not indicate any discussion of a Tax-Free Savings Account or other investment options beyond universal life insurance.

19. The Licensee explained that she had approved this application because she thought "*that some protection – through a combination of permanent and term insurance – was better than leaving [the client] entirely uninsured. Providing [the client] with term insurance alone would not have met [the client's] budget....*" She stated that term life insurance alone would have been more expensive than the combination of permanent and term life insurance, and that the client preferred an insurance plan with cash value. The Licensee also explained that the client ultimately selected the policy after three options were presented to them, and that the recommendation process involved a product comparison.

20. The Licensee acknowledged that the documentation should have more clearly addressed the insurance coverage shortfall and the rationale for the recommendation.

Review Committee

21. At the Review Committee meeting, the Licensee made oral submissions concerning the allegations outlined in the investigation report and subsequently provided written submissions following the meeting. After reviewing her supervisee's records, she confirmed that she had reviewed 42 applications from PG, and not 26 as she had first indicated during her interview with Council's investigator. She explained the discrepancy by stating that she had initially provided an estimate of the policies written from memory, rather than by consulting her records.

22. The Licensee verified the periods when supervisees were under her supervision. She also provided further evidence demonstrating that she believed PG had adequate training, mentorship, and guidance in insurance practices and proper client documentation. She submitted documentation to demonstrate that she and PG had participated in several virtual and in-person training sessions together.

23. The Licensee also made submissions to explain the reasoning behind her support for the supervisee's policy recommendation in the audited policy. She stated that the recommendation process involved documented fact-finding, needs analysis, product comparison and a written explanation of the recommendation. She claimed there were supporting documents for the recommendation, including the Financial Needs Analysis, Product Suitability form, Reason Why letter, and assets and liabilities statement, which demonstrated that the recommendation was based on the client's financial circumstances.

24. The Licensee stated that she is taking steps to strengthen her supervisory skills by taking professional development courses, including a leadership training certification, and is a member of industry organizations. She plans to enrol in further training later this year to continue enhancing her supervisory and compliance skills.

25. The Licensee provided the Committee with a detailed overview of her supervisory procedures and explained that she is notified once a supervisee submits an application through the new system, and she then conducts her review. If the Licensee identifies any issues with the application, she will notify the supervisee. Once the supervisee has addressed any outstanding concerns, the Licensee will approve the application. If the Licensee's concerns are not addressed, the Licensee continues to work with the supervisee until the application is suitable. The Licensee confirmed that she approves and signs off on the supervision process review statements once she determines the application is sufficient.

26. The Committee questioned the Licensee's oversight and observed that while applications contained supervisory comments, there was no evidence of follow-up with the supervisees before the applications were approved to proceed. The Licensee explained that in the past she had not documented telephone conversations with supervisees, but clarified that the new system will allow her

to maintain proper documentation. She stated that she understands the importance of documenting her conversations with supervisees. She also recognized that, since primary client interactions occur through supervisees, she needed to strengthen her supervisees' note-taking procedures.

27. In the audited policy, the Licensee had approved a supervisee's application in which the client indicated their objective was to obtain the policy for mortgage protection, but was instead sold a universal life policy that listed a sibling and a cousin as beneficiaries. When asked to explain the insurable need for a policy listing a cousin and a sibling as the beneficiaries for income replacement, the Licensee stated that the "*client doesn't have any other family members that will have that benefit. That's why [the supervisee] put the extended family. There's no other family that will receive that*".

28. The Committee asked the Licensee to explain the term "annual renewable term" ("ART"). The Licensee described how an ART works and how bonuses influence the rate of return relative to insurance costs.

29. The Licensee was asked to elaborate on her decision to approve one of PG's policy applications, which included an Insured Retirement Plan ("IRP") strategy. She stated that the application should not have included an IRP, as it is a strategy and not a product, and that she instructed PG to remove it. The application was not amended and continued to include the IRP, indicating that the Licensee had not reviewed the application a second time. The Licensee admitted that she had overlooked the application's approval and that the IRP had been erroneously included.

30. The Committee noticed that the Licensee approved several applications in which the supervisee recommended two or three universal life insurance products, differentiated primarily by budgeted premium amounts. It appeared that rather than providing tailored recommendations for each client's insurance needs, most policy recommendations before 2023 were for universal life insurance. The Licensee explained that before 2023, agents could recommend only universal life insurance products with budgetary variances, but after 2023, they were not allowed to recommend multiple versions of the same products. This policy change was communicated to agents through training sessions.

ANALYSIS

31. Council concluded that the Licensee's conduct amounted to breaches of Council Rules 7(8) and 7(9), as well as of Code of Conduct section 5 ("Competence"), section 7 ("Usual Practice: Dealing with Clients") and section 12 ("Dealing with the Insurance Council of British Columbia").

32. Council was most troubled by the Licensee's competency as a supervisor and found that she breached section 5 of the Code of Conduct. Council concluded that the supervisees' unsuitable product recommendations were readily apparent, despite the Licensee's signature on the supervision process review statements indicating her approval. Council determined that the Licensee should be held accountable for failing to detect inconsistencies and obvious errors because the Licensee had an obligation as a supervisor to identify deficiencies in her supervisees' applications and ensure they were resolved.

33. Council identified that the Licensee breached subsection 5.3.4 in failing to fulfil her supervisory duties competently. While the Licensee provided evidence that her supervisees had attended training sessions with her, Council found that attendance alone does not establish the quality or effectiveness of the training. Council believes it is the Licensee's responsibility as a supervisor to provide proper oversight of a supervisee's written applications and to identify any discrepancies with the recommendations to ensure they are suitable for clients.

34. Council found that while the Licensee demonstrated a willingness to improve her supervisory practices and took corrective action to make changes to her record-keeping procedures, there were nevertheless several examples of inadequate record-keeping of audited policies, amounting to breaches of Council Rule 7(9) and section 5– specifically of 5.3.2 (f) and (i). Council noted in PG's policies that the Licensee failed to recognize that the files lacked adequate documentation to support product recommendations or did not properly document illustrations.

35. Council determined that PG and the supervisee of the audited policy failed to document any rationale supporting their policy recommendations for permanent insurance to address what was a temporary need. These recommendations resulted in an insurance coverage shortfall for the policies. Despite these underlying concerns, the Licensee still authorized the submission of the policy applications. Council noted that the Licensee, as a supervisor, is responsible for ensuring that her conduct complies with both the letter and the spirit of the regulatory requirements. A supervisor's obligation extends beyond mere administrative compliance, and demonstrating competency requires more than just completing paperwork.

36. Council expressed concerns that the Licensee overlooked deficiencies in PG's policies and in the audited policy, including inadequate fact-finding and the improper assessment of clients' insurance needs, in breach of section 5, specifically 5.3.2 (f). Council was troubled that the Licensee approved a universal life policy that did not address the client's stated goal of mortgage protection. The universal life recommendation raises concerns that the Licensee's supervisees are selling permanent life insurance as a primary investment vehicle, even when clients have not maximized their registered savings and do not have a significant need for estate liability protection. Moreover, the audited policy did not contain any justification in the file for naming a sibling and a cousin as beneficiaries. There was no evidence to demonstrate that these relatives relied on the client financially or would face hardship upon the client's death.

37. Council also found that the Licensee's conduct amounted to breaches of section 7 ("Usual Practice: Dealing with Clients") and section 12 ("Dealing with the Insurance Council of British Columbia"). Council found issues with the IRP strategy recommended to a client, noting that the supervisee failed to include an explanation justifying its appropriateness. The file also lacked documentation to show that the client had received an explanation of the implications of an IRP or had been provided with a cash value projection. Although the Licensee stated that she had instructed her supervisee to remove the IRP, it remained in the approved policy. Council considered that the Licensee had made material misstatements in her explanation of the IRP strategy in the audited policy. Overall, Council found that the Licensee was "rubber-stamping" her supervisees' recommendations. The Committee asked the

Licensee to explain the application of an ART and IRP concept and found that she struggled to clearly articulate either.

38. Council was troubled by the Licensee's competency and her failure to meet the expected professional standards for supervisors. Council believes that the Licensee had no intent to cause harm to clients and that she genuinely believed she was doing a sufficient job because she did as she was taught. Overall, however, Council had cause for concern because the Licensee's actions fell short of the standards required for a supervisor. In light of the Licensee's breaches of the Code of Conduct, as described above, Council concluded that her conduct also amounted to a breach of Council Rule 7(8).

PRECEDENTS

39. Before making its decision on this matter, Council took into consideration the following precedent cases concerning supervisors. 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 terms of providing a range of sanctions for similar types of misconduct.

40. *Paul Quentin Bullock Spalding* (January 2024): concerned a life agent supervisor who was alleged to have failed to fulfil his duties as a supervisor by providing inadequate supervision of a licensee who was the subject of an investigation. The other licensee made recommendations to a family to replace their existing life insurance policies, which resulted in new policies that were more expensive than the initial policies and, in Council's opinion, unsuitable for the family's needs. Council found that the licensee had not carried out his supervisory duties competently and adequately. Council found that the licensee demonstrated a casual approach to supervision and that he failed to ensure adequate supervision was provided. Council questioned how the licensee could ensure adequate supervision when he was unaware of the insurance business his supervisees were conducting and did not have access to the insurer's electronic submission files. Council ordered that the licensee be fined $2,500, required to complete the Council Rules Course and nominee course, and assessed investigation costs.

41. *Hyung Jun (Alex) Kae* (May 2020): concerned a life agent supervisor who was alleged to have failed to act as a competent supervisor. The licensee was alleged to have failed to advise Council when he ceased to supervise new life agents and to have failed to report breaches of the Council Rules and Code of Conduct by licensees under his supervision. A former life agent under investigation by Council for misconduct claimed that her misconduct was due to a lack of supervision from the licensee and that new life agents' insurance applications were not reviewed. Other life agents under the licensee's supervision also claimed that they were unaware that the licensee was their supervisor. Council was concerned that, after serious competence and trustworthiness concerns were identified with the former life agent, the licensee failed to take adequate steps to address or report the complaints. Council noted that the licensee's approach to supervision was reactive to serious repeated concerns, rather than proactive to protect clients' best interests. Council believed the licensee demonstrated a casual approach to supervision, prioritizing sales over training and client service. In addition, Council was concerned by the lack of formal supervision guidelines and the licensee's failure to take responsibility for the actions of the former life agent. Council ordered that the licensee be fined $1,000,

prohibited from acting as a supervisor for six months, required to complete the Council Rules Course and an ethics course, and assessed investigation costs**.**

42. Council believes that a combination of the discipline in the precedent cases is warranted in this case. Council determined that the $2,500 fine ordered in *Spalding* and the six-month supervision period ordered in *Kae* are appropriate. Council also believes that ordering the Licensee to take relevant courses would best address the identified competency issues.

MITIGATING AND AGGRAVATING FACTORS

43. Council considered relevant mitigating and aggravating factors. It found the Licensee's co-operation with Council's investigation and commitment to improving her insurance practice to be mitigating factors. Council found several aggravating factors, including that the Licensee's 15 years of experience in the insurance industry should have prevented these competency errors, and that there was a recurring pattern of deficient record-keeping and approval of unsuitable policies. Although Council found her responses to be forthright, it found that the Licensee made unintentional misstatements and misremembered facts. It is accepted that the Licensee genuinely believed that her supervisory practices met regulatory expectations. However, given her failure to recognize the inadequacy of her supervision, Council felt that she is likely to repeat the misconduct without ordered discipline. Council believed that the Licensee's actions may give rise to the perception of public harm, as well as a risk of harm to the public in the conduct of the business of insurance for supervisees who are unable to obtain proper supervisory oversight.

CONCLUSIONS

44. After weighing all of the relevant considerations, Council found the Licensee to be in breach of the Council Rules and the Code of Conduct.

45. Council found the Licensee to be sincere, and her genuine responses led it to conclude that her misconduct in approving unsuitable policies was unintentional. However, Council affirmed that it is the Licensee's responsibility, as a supervisor, to identify policy deficiencies and guide her supervisees to ensure they address all outstanding concerns.

46. Although Council acknowledges that the Licensee is acting as a supervisor voluntarily and is not receiving any remuneration for this work, it believes a fine of $2,500 is appropriate to address her failure to fulfil her supervisory duties in a competent manner and maintain adequate notes.

47. Council believes that placing the Licensee under supervision for a period of six months will help ensure that she observes proper supervisory protocols firsthand. Direct exposure to an effective supervisor who models best practices will enable her to adopt and apply them in her own future supervisory role.

48. The Licensee appeared to be receptive to receiving guidance to improve her current practices and solicited recommendations for relevant training courses. In response, Council requires that the Licensee complete a comprehensive selection of continuing education courses to strengthen her competency in common insurance concepts further. In recognition of the Licensee's commitment to improvement and other mitigating factors, Council has extended the continuing education course completion deadline to a 180-day period.

49. Council has concluded that its investigation costs should be assessed to the 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

50. Pursuant to sections 231 and 241.1 of the Act, Council made an intended decision that:

    a. The Licensee be fined $2,500, to be paid within 90 days of Council's order;

    b. A condition be placed on the Licensee's life and accident and sickness insurance agent licence that the Licensee be supervised for six months of active licensing by a supervisor approved by Council, commencing, at the latest, one month from the date of Council's order;

    c. The Licensee be required to complete the following courses, or equivalent courses as acceptable to Council, within 180 days of Council's order:

        i. The Council Rules Course for Life and/or Accident & Sickness Agents;

        ii. The Compliance Toolkit: Know Your Client and Fact-Finding course, available through Advocis;

        iii. The Compliance Toolkit: Know Your Product and Suitability course, available through Advocis; and

        iv. The Insurance Council's webinar for Life and/or Accident and Sickness Agents

        (collectively, the "Courses");

    d. The Licensee be assessed Council's investigation costs in the amount of $2,125, to be paid within 90 days of Council's order; and

e. A condition be imposed on the Licensee's life and accident and sickness insurance agent licence that failure to obtain a supervisor as required, complete the Courses within 180 days, and pay the fine and investigation costs in full within 90 days will result in the automatic suspension of the Licensee's licence and that the Licensee will not be permitted to complete the Licensee's 2028 annual licence renewal until such time as the Licensee has complied with the conditions listed herein.

51. Subject to the 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 COSTS & FINES

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

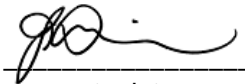
RIGHT TO A HEARING

53. If the Licensee wishes to dispute Council's findings or its intended decision, the 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 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 Licensee does not request a hearing within 14 days of receiving this intended decision, the intended decision of Council will take effect.**

54. Even if this decision is accepted by the 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 https://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.

Dated in Vancouver, British Columbia, on the **16th day of July, 2026.**

For the Insurance Council of British Columbia



Janet Sinclair
Executive Director