

In the Matter of

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

and

The INSURANCE COUNCIL OF BRITISH COLUMBIA
(“Council”)

and

YAN ZHU
(the “Licensee”)

DECISION AND ORDER
UNDER SECTIONS 231 & 238 OF THE ACT

WHEREAS the Licensee holds an active life and accident and sickness insurance agent’s licence;

AND WHEREAS the Licensee is currently the subject of an investigation by the British Columbia Securities Commission (“BCSC”) relating to allegations that she was operating a ponzi scheme;

AND WHEREAS the BCSC issued a Temporary Order effective April 30, 2012, requiring the Licensee to cease activities relating to the ponzi scheme;

AND WHEREAS the BCSC’s Temporary Order states the Licensee lied to BCSC investigators in response to certain inquiries made during its investigation of the ponzi scheme;

AND WHEREAS the Licensee has not replied to inquiries of Council respecting her life insurance practice despite her knowledge that the matter would be considered by Council on May 15, 2012;

AND WHEREAS Council determined the BCSC allegations against the Licensee to be serious and speak to her trustworthiness and intention of carrying on the business of insurance in good faith, which is compounded by her failure to reply to Council’s inquiries;

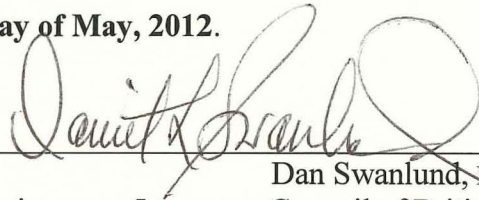
AND WHEREAS Council considers the length of time required to hold a hearing into the Licensee’s suitability to hold an insurance licence would be detrimental to the due administration of the Act;

AND WHEREAS Council considers it to be in the public's interest to suspend the Licensee's life and accident and sickness insurance agent's licence pursuant to section 231(1)(g) of the Act;

NOW THEREFORE Council orders the suspension of the Licensee's life and accident and sickness insurance agent's licence until such time as the Licensee attends Council's office to respond to its inquiries, pursuant to sections 231 and 238 of the Act, effective the date of this Order; and

TAKE NOTICE that pursuant to section 238 of the Act, the Licensee has the right to require a hearing on this Order before Council by delivering written notice within 14 days of receipt of this Order to Council at Suite 300, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1; alternatively, the Licensee may appeal this order to the Financial Services Tribunal.

Dated in Vancouver, British Columbia, on **15th day of May, 2012.**



Dan Swanlund, B.Comm, CFP
Chairperson, Insurance Council of British Columbia