

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

and

The INSURANCE COUNCIL OF BRITISH COLUMBIA
("Council")

and

PUI LIN (CANDY) LI
(the "Licensee")

ORDER

As Council made an intended decision on April 12, 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 May 30, 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:

1. The Licensee is reprimanded.
2. A condition is imposed on the Licensee's general insurance licence that requires the Licensee to successfully complete the Council Rules Course on or before **September 21, 2016**. If the Licensee does not successfully complete the Council Rules Course by this date, the Licensee's general insurance licence is suspended as of **September 22, 2016**, without further action from Council and the Licensee will not be permitted to complete any subsequent annual filings until such time as the ordered Council Rules Course is successfully completed.

This order takes effect on the **21st day of June, 2016**.



Brett Thibault
Chairperson, Insurance Council of British Columbia

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA

("Council")

respecting

PUI LIN (CANDY) LI

(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 March 7, 2016, a Review Committee (the "Committee") met with the Licensee to discuss allegations that she engaged in insurance activities on behalf of an agency (the "Agency"), without having the authority to represent ("ATR") the Agency.

The Committee was comprised of one voting member and three 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 April 12, 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 British Columbia in 2009 and obtained a Level 2 general insurance agent licence in June 2014. During the period under review, the Licensee held an active insurance licence, but did not have an ATR with the Agency.

An inspection of the Agency found that insurance files assigned to the Licensee's spouse, a Level 1 general insurance salesperson who has an ATR with the Agency (the "Spouse"), were actually being handled by the Licensee.

The Licensee began assisting the Spouse with his insurance activities after medical issues arose. The Licensee stated her intent was to assist the Spouse with his insurance activities while he recovered.

The Agency acknowledged it was aware the Licensee was assisting the Spouse even though she did not have an ATR with the Agency.

The Agency's nominee and the Licensee confirmed that they did not turn their minds to the fact that the Licensee was required to have an ATR with the Agency.

ANALYSIS

Council found that the Licensee had acted in breach of Council Rules when she engaged in insurance activities on behalf of the Agency without the proper ATR. Council acknowledged that the Licensee was acting with the knowledge of the Agency; was remorseful about her conduct; and was not aware she was acting in breach of Council Rules.

Council determined the Licensee had a duty to be aware of her responsibilities under Council Rules and concluded the matter could be addressed with a reprimand and a requirement to complete the Council Rules Course.

INTENDED DECISION

Pursuant to sections 231 and 236 of the Act, Council made an intended decision to:

1. Reprimand the Licensee.

2. Impose a condition on the Licensee's general insurance licence that requires her to successfully complete the Council Rules Course within 90 days of the date of Council's order.

The Licensee is advised that, should the intended decision become final, the Licensee will be required to successfully complete the Council Rules Course within 90 days of the date of Council's order. Failure to successfully complete the Council Rules Course within the 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 such time as the Council Rules Course is successfully completed.

The intended decision will take effect on **June 21, 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 **June 20, 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 **June 20, 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 or contact them directly at:

Financial Services Tribunal
PO Box 9425 Stn Prov Govt
Victoria, British Columbia
V8W 9V1

Reception: 250-387-3464
Fax: 250-356-9923

Email: FinancialServicesTribunal@gov.bc.ca

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Dated in Vancouver, British Columbia, on the **30th day of May, 2016.**

For the Insurance Council of British Columbia



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Executive Director
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