

In the Matter of

The *FINANCIAL INSTITUTIONS ACT*
(R.S.B.C. 1996, c. 141)
(the “Act”)

And

THE INSURANCE COUNCIL OF BRITISH COLUMBIA
(“Council”)

And

HONG WEI (WINNIE) LIAO
(the “Licensee”)

ORDER

Pursuant to section 237 of the Act, Council convened a hearing at the request of the Licensee to determine if the allegations in the Notice of Hearing, dated June 26, 2024, would be established.

Prior to the Notice of Hearing, Council made an order, cancelling the Licensee’s Life and Accident and Sickness Insurance License for a three-year term before she would be permitted to reapply. This order was made on May 29, 2024 (the “May 29, 2024 Order”).

The Hearing Committee first heard the matter on July 22-26 and August 29, 2024. During that initial hearing, the Hearing Committee determined whether Council had established the allegations in the Notice of Hearing.

The Hearing Committee then prepared its Reasons for Decision, dated October 28, 2024.

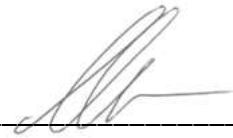
Council then convened a further hearing to determine the disciplinary measures and costs that would result from the Hearing Committee’s conclusions. That hearing was convened on January 14, 2025.

In accordance with the decision-making powers delegated to the Hearing Committee pursuant to section 223 of the Act, Council orders that the May 29, 2024 Order be varied and makes the following orders:

- a. That the Licensee’s life and accident and sickness insurance licence will remain cancelled;

- b. That the Licensee be fined \$25,000, to be paid by June 2, 2025;
- c. That the Licensee is prohibited from being a controlling shareholder, partner, officer or director of any licensed insurance agency in British Columbia for a period of 5 years, expiring at midnight on May 28, 2029;
- d. That the Licensee be assessed Council's costs in the amount of \$54,864.28, to be paid by June 2, 2025; and
- e. That Council will not consider an application for any insurance licence from the Licensee prior to midnight on May 28, 2029, and until the fine and costs are paid in full.

This order takes effect on **4th day of March, 2025.**



Glen Ewan, K.C.
Chair of the Hearing Committee

In the Matter of
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(the “Act”)

and

THE INSURANCE COUNCIL OF BRITISH COLUMBIA
(“Council”)

And

HONG WEI (WINNIE) LIAO
(the “Licensee”)

Date: July 22-26, 2024;
August 29, 2024
9:30 a.m.

| | | |
|----------------|-----------------|--------|
| Before: | Glen Ewan, K.C. | Chair |
| | Jeny Yueng | Member |
| | Gary Barker | Member |

Location: In person and by videoconference
1400-745 Thurlow Street
Vancouver, B.C. V6E 0C5

| | | |
|-----------------|-------------------------------------|-----------------------------------|
| Present: | Andrew D. Gay, K.C./Oren D. Adamson | Counsel for Council |
| | William Smart, K.C./Nicole Gilewicz | Counsel for the Licensee |
| | David Eleff | Counsel for the Hearing Committee |

REASONS FOR THE DECISION OF THE HEARING COMMITTEE

BACKGROUND AND ISSUES

1. This Committee of the Insurance Council of British Columbia was convened for a hearing under s. 238 of the Act to determine the allegations against the Licensee set out in a Notice of Hearing dated June 26, 2024.
2. The allegations in the Notice of Hearing arise from evidence the Licensee presented during a hearing before a different Hearing Committee of Council in November 2023 (the “**November Hearing**”). It is uncontroversial that, during the November Hearing, the Licensee testified that she had a Master

of Business Administration degree from a Canadian university and, in support of her testimony, tendered a diploma and transcript purporting to be from York University (the “**York Documents**”). After that evidence was tendered, Council launched an investigation that confirmed that the York Documents were not authentic. The Licensee does not dispute that the York Documents were inauthentic and that she does not have an MBA from York University. She admits that she understands this to be true today. The issue for this Committee to decide is whether the Licensee knew at the time of giving her evidence at the November Hearing that the York Documents were not authentic, and, if so, whether her conduct breached Council’s Code of Conduct or the Council Rules.

Notice of Hearing

3. The Notice of Hearing was entered as Exhibit 1 at the hearing. It provides (in part):

TAKE NOTICE that Council will hold a hearing on Monday, July 22, 2024, through Friday, July 26, 2024, commencing on each day at 9:30 a.m., at Veritext Court Reporting, 700-925 West Georgia Street, Vancouver, British Columbia, to determine:

1. Whether, in relation to the York Documents and her testimony at the November Hearing, the Licensee breached section 3 (Trustworthiness), or section 4 (Good Faith), or section 12 (Dealing with Council) of Council’s Code of Conduct; or Council Rule 7(8), by:
 - a. attempting to mislead the Hearing Committee of Council (the “Hearing Committee”) by testifying that she had an MBA from Canada, which was untrue, and supporting that testimony by tendering the York Documents which were forged or fake and which the Licensee knew were forged or fake;
 - b. in the alternative, tendering the York Documents in support of her testimony that she had an MBA from Canada, and doing so recklessly or with willful blindness to the fact that the York Documents were forged or fake, aware that this could mislead the Hearing Committee. Further particulars of this allegation are:
 - i. the Licensee never attended York University;
 - ii. the Licensee was not given the York Documents by York University;
 - iii. the Licensee received the York Documents from an individual to whom the Licensee paid money in exchange for them;

- iv. the Licensee never completed the courses listed in the York University transcript;
 - v. the Licensee did not advise the Hearing Committee of any of the facts set out in paragraphs (i) to (iv) above; and
 - vi. the Licensee was aware of the facts set out above in paragraphs (i) to (iv) and was aware of the need for inquiry to verify that the York Documents were authentic and legitimate, but made no or insufficient inquiry to determine whether they were authentic and legitimate before giving evidence to the Hearing Committee that she, in fact, had an MBA from Canada and before tendering the York Documents in support of that testimony.
- 4. Section 2 of the Notice of Hearing deals with whether the Council should confirm, revoke, or vary an order of May 29, 2024, which cancelled the Licensee's license under s. 231(1) of the Act, or take other action under ss. 231, 236, or 241.1 of the Act.

EVIDENCE

- 5. The Hearing Committee heard evidence from the following witnesses over the course of five days from July 22-26, 2024:
 - a. [REDACTED], an investigator with the Council;
 - b. Dr. X, lecturer at Simon Fraser University. Dr. X gave evidence about degree and credentialling programs in China, as well as Chinese cultural views on education;
 - c. Mr. P, an acquaintance of the Licensee. Mr. P gave evidence about the Licensee's involvement with the Chinese-Canadian business community in Toronto; and
 - d. the Licensee.
- 6. The following documents were entered as exhibits as the hearing:
 - a. Exhibit 1: Notice of Hearing dated June 26, 2024
 - b. Exhibit 2: Letter Agreement from Andrew Gay to William Smart dated July 4, 2024 (setting out matters that were agreed between the parties)

- c. Exhibit 3: Joint Book of Documents
- d. Exhibit 4: Affidavit of Ms. Y, employee in the Student Enrolment Services Department at the Schulich School of Business at York University
- e. Exhibit 5: Affidavit of Mr. T, Associate Dean – Academic at the Schulich School of Business at York University
- f. Exhibit 6a: Envelope containing the York Documents
- g. Exhibit 6b: York University diploma certificate
- h. Exhibit 6c: York University transcript
- i. Exhibit 7: Document dated September 9, 2016, with “[Licensee], MBA, RFC [Insurance Company]” at the bottom
- j. Exhibit 8: Email exchange between [REDACTED], the Licensee, and Ms. J
- k. Exhibit 9: The insurance company advisor information form
- l. Exhibit 10: The Licensee’s business card
- m. Exhibit 11: Notice of Hearing dated August 18, 2022
- n. Exhibit 12: Document regarding President Hu Jintao’s visit to Canada
- o. Exhibit 13: Excerpt from the hearing transcript dated November 8, 2023 (four pages)
- p. Exhibit 14: Email exchange between the Law Society of Ontario and the Council
- q. Exhibit 15: Screenshot of Chinese Service Centre for Scholarly Exchange
- r. Exhibit 16: Government of Canada website printout titled “Foreign Credential Validation Against Canadian Standards” (two pages)
- s. Exhibit 17: Excerpts from Dr. X thesis
- t. Exhibit 18: Three website printouts
- u. Exhibit 19: Email exchange between the Licensee and [REDACTED] (five pages)

7. Although the Hearing Committee has heard and considered all of the evidence, the Hearing Committee will review that evidence in these reasons only insofar as is necessary to provide context and set out the reasons for its findings. The parties also provided a number of authorities on the law of evidence (some of which are noted below in the Legal Principles section of these reasons), which the Hearing Committee has considered in its review and analysis of the evidence.

Summary of the Licensee's Evidence

8. The Licensee testified that she grew up in Hunan Province in China. She obtained a bachelor's degree with a major in management engineering from Central South University, graduating in 1988. After graduating, she worked in Shenzhen until she immigrated with her family to Canada in 2000.
9. In 1999, the Licensee enrolled in a master's degree program at Southwest Jiaotong University on a part-time basis. She completed her courses before immigrating to Canada but had not obtained her degree when she left China as she needed to complete requirements to publish two articles and defend her thesis. The Licensee testified that, although her master's degree program was called "Transportation Engineering", it was more accurately described as a degree in "transportation management". Her master's degree was ultimately conferred in June 2004.
10. The Licensee testified that after her arrival in Canada she worked for her husband at his business, which assisted Chinese immigrants with investing in the Canadian and US stock markets. In an effort to meet other Chinese-Canadians, she joined the Canada Hunan Fellow Association in 2001 and attended meetings of the "Blue Sky Club", a business/networking group. She met an individual named Mr. M through the Blue Sky Club in 2002. The Licensee explained that she perceived Mr. M to be an important and powerful person. He was the president of an association that assisted Chinese immigrants to Canada, in particular helping Chinese international students to apply to schools and convert certificates. Mr. M often spoke at Blue Sky Club meetings.
11. The Licensee described that Mr. M came to her office at her husband's business in 2003 and told her about an opportunity to transfer her educational certificates from China to Canada. He told her that, once she had finished her master's program, he could assist her to "certify" her degree, which she understood would prove the equivalency of her master's degree in Canada. He did not say that it would be an MBA, only that it would be a "matchable" degree. He told her he was the agent of multiple universities, including York. At the time, she felt she did not need the certification because she was just working for her husband's company, but he eventually persuaded her that it was a good opportunity. After she received her degree from China by mail in June 2004, she sent it to Mr. M along with various other supporting documents. She paid Mr. M somewhere in the range of a few thousand

dollars but could not recall the exact amount. She ultimately received the certification documents from Mr. M in 2005. These were the “York Documents” that were produced in the November Hearing.

12. The Licensee testified that before having received the York Documents, she had never seen a diploma or degree from a Canadian university. She understood the York diploma certificate to mean that her Chinese master’s degree had been certified by a local authority as an equivalent academic degree. She testified that she did not believe that she had an MBA from York University, and acknowledged that this would have been impossible as she did not attend or study at York. She specified that, at the time she received the York Documents, she did not even know what the MBA program was. The Licensee testified that she understood the York transcript to be a conversion of her marks from her studies in China. She stated that she did not look carefully at the courses listed when she received the York transcript.
13. The Licensee testified that after she received the York Documents from Mr. M, she put them away in a drawer and did not look at them again until the November Hearing.
14. The Licensee stated that she decided to become an insurance agent in 2006/2007 and began working for an insurance company. She explained that she told the insurance company that she had an MBA because she believed that her master’s degree from China had been transferred into a local MBA, even though she did not know what exactly that meant at the time. The insurance company included the Licensee’s MBA credentials on documents such as her business cards and insurance illustrations. The Licensee explained that she believed she was being honest when she put “MBA” on her business cards despite having never gone to York University:

First of all, I thought MBA is a master degree, and secondly, the courses I took in China, those management and other courses, they were converted into MBA. Even in the year of 2000 I was aware that the courses I took was very similar to MBA courses. Most importantly, [Mr. M] told me that the certification was to certify the Chinese degree to equivalent local certification, which was MBA.

15. The Licensee testified that her wealth management and insurance clients were all from China, and about half of them had immigrated to Canada. They were described by the Licensee as “investors and entrepreneur immigrants”. Her belief, based on her interactions with her clients and the limited number of Chinese people of their age group who went to university, was that 90% of them had only a high school education or less.
16. The Licensee gave evidence that certain of her clients felt that they could not fully trust her or feel comfortable around her because of her higher education level and the fact that she was the

president of organizations. She felt she needed to grow a relationship akin to a friendship with her clients in order for them to trust her and be willing to hire her for their insurance matters and disclose their personal information to her. Because of this, she decided to stop telling clients that she had an MBA and that she was president of organizations. In around 2014 or 2015, she took the “MBA” off her business cards for her husband’s investment business, but she continued to use her business cards that said “MBA” on them because the insurance company required her to use their business cards and had already printed many copies.

The July 2021 Review Committee Meeting

17. In July 2021, the Licensee was interviewed by the Council at a Review Committee meeting regarding some complaints that had been filed against her. This was her first such interview and she understood it to be about her analysis for the insurance products she recommended to her clients. She testified that she had her administrative manager, Ms. J, with her at the interview. The Licensee testified that although Ms. J had been called to the bar, the Licensee never hired her to act as her lawyer.
18. In the July 2021 interview transcripts, Ms. J identified herself at the outset as the Licensee’s legal counsel. The Licensee testified at the hearing before this Committee that Ms. J had said this without instructions and that Ms. J had not been hired as her legal counsel, she was only an employee/manager and the Licensee was not happy about what Ms. J had said.
19. During the July 2021 interview, the Licensee was asked questions about her master’s degree:

MR. [REDACTED] Okay, but you’re – you’ve got a Master of Business Administration, where did you go to school?

LICENSEE: I go to Jo Ni University, Jo Ni.

MR. [REDACTED] Okay, and –

LICENSEE: Chunchan, Chunchan.

MR. [REDACTED] I’m sure you took finance courses and calculation courses, statistics courses, economics courses to get a Masters of Business, right?

LICENSEE: No my Masters is management. In Xichuan, Xi Ni University.

MR. [REDACTED] Okay.

LICENSEE: I didn’t pick finance, but I take a lot of finance course in Canada, yeah.

MR. [REDACTED] So you’re saying you don’t have an MBA?

LICENSEE: I put, I put my Master, I have my Master.

MR. [REDACTED]: But on your card it says you have an MBA.

LICENSEE: No, I didn't put that.

MR. [REDACTED]: Does your business card not say MBA behind your name?

LICENSEE: Before I think my – I have one administration put my business card MBA, but I cancel that, it's a mistake.

MR. [REDACTED]: Okay, so you're saying you don't have a Masters of Business Administration –

LICENSEE: No, I have master, not Master of – not Business Administration, yeah, no.

MR. [REDACTED]: Okay, because an MBA is specifically a Masters of Business Administration as far as I'm (inaudible).

LICENSEE: I didn't put on, I never put on. How you get my business card have that? Can you show me?

MR. [REDACTED]: It was in the exhibits I believe, and I don't know what page it was.

LICENSEE: I told you I have a – I have a reasoning in the past, I had one assistant put my Master to MBA, I had them cancel it for sure, yeah.

20. The Licensee explained at the hearing before this Committee that when she gave this evidence in July 2021, she did not think that she did not have an MBA; she was just saying that she did not put "MBA" in her business materials. She explained that she had asked her assistant at London Life to "cancel it" (the reference to "MBA") but they had not, and that was the "mistake" she referred to. She explained that she was confused because she thought she was being asked whether she had a specialized finance MBA and because she thought she had asked to have the "MBA" taken off of her materials.
21. The issues discussed during the July 2021 interview were addressed in a Notice of Hearing dated August 18, 2022. The August 2022 Notice of Hearing set out various allegations that would ultimately be addressed at the November Hearing. One of the issues in the Notice of Hearing was whether the Licensee had "describ[ed] her educational credentials in a misleading manner, and in particular by representing that she ha[d] a Master's Degree in Business Administration (MBA) when that is not true."

The November Hearing

22. The Licensee gave evidence about her credentials at the November Hearing. On the fourth day of the hearing (November 10, 2023), the following exchange took place between the Licensee and counsel for the Council:

CNSL A. GAY: And I understand that in fact while you do have a masters of management, you don't have an MBA. Is that fair?

LICENSEE: I have master degree in China and also a masters in business administration in Canada. I have both the certificate and original transcript with me. And, again, it reflects I'm a humble person because in the last committee meeting they did not allow me to speak. I read the record yesterday, and he say, you are a finance MBA; right? I say no, it's management, and then he say you have a masters; right? I said I have a master degree in China, and then he said then you are not an MBA; right? I said I am a master of – before I finish I got cut off. And then he asked me, you have a specialty in business administration; right? I said no. Because I meant to say masters in business administration, but before I could finish I got cut off, so I thought oh, forget it. Yeah, and I did not want to argue and then I just said okay, I don't have one. What I mean is I don't have what he said, special business administration. Yes. Well, he use the wrong term, so I can't follow him, and I don't know what to say.

CNSL A. GAY: All right. I want to make sure that I heard correctly what you said at the beginning of your answer. Did you say that in fact you do have a Canadian MBA degree?

[FORMER CNSL TO LICENSEE]: It's right here.

CNSL A. GAY: Okay.

CNSL A. GAY: Because I don't think that was ever provided in the investigation, was it?

LICENSEE: I was not given a chance to do so.

LICENSEE: I have master in China; I have MBA here.

CNSL A. GAY: Let's just be clear. I am not going to challenge the authenticity of this document.

[FORMER CNSL TO LICENSEE]: We did. It's valid.

CNSL A. GAY: You understood that you could have sent this to the Insurance Council at any time; right? Look, I'll take it up with your lawyer. Do you have any problem with us taking a photocopy of this document?

LICENSEE: Why not? I have a certificate by government.

[FORMER CNSL TO LICENSEE]: We will get copies for the record.

LICENSEE: Yeah, for sure. I just tell, have a master of business administration; I say I have master of. He say, you have master; you don't have MBA. I say, I have master – stop, you're so fast.

[FORMER CNSL TO LICENSEE]: In any event, we'll get a copy of that. Actually –

LICENSEE: Including my transcript.

23. The Licensee provided the following explanations about her November 10, 2023 evidence at the hearing before this Committee:

- a. What she would have said had she not been cut off in July 2021 was that she “obtained a master degree from Southwest University, and [she] wanted to say that there was a transfer or conversion and a certified MBA equivalent to what [she] studied, and [she] knew that [she] did not take courses in Canada; [she] did not study for MBA in Canada, but ... [she] did believe that [she] had certified MBA equivalent to what [she] had in China”.
- b. When she said she was not given a chance to provide the document during the investigation, what she meant was that from the time of the July 2021 interview to the November Hearing, nobody asked her to provide it.
- c. In respect of her statement, “I have master in China, I have MBA here”, she testified that she should have elaborated and provided more details about how the transfer of the degree happened, but she did not think about it. She was not trying to mislead the Council by saying she had an MBA; she wanted to say the MBA was a degree transfer equivalent but “either [she] did not express [herself] clearly or [she] did not provide the details – detailed explanation”. She understood that she only had one degree but thought the other was an equivalent degree and that MBA was a symbol or recognized title.
- d. When she referred to a “certificate by government”, it was because she thought the documents that Mr. M provided through his organization were a government-recognized document or certified equivalent of her degree in China that could be accepted locally.
- e. The “transcript” she referred to was the York transcript. The reason she said “including my transcript” was because she was trying to say that she was “given this by a professional organization” and by an expert, Mr. M. She testified before this Committee, “...I was given equivalent certificate and transcript to prove that I participated

equivalent courses in China. When I had this with me, I was prepared to be asked these questions, but no one asked me those questions”.

- f. The reason why she believed it was not misleading to say that she had an MBA was because she thought of Mr. M as being a very well known, reputable and credible person who told her she had a certified degree for the equivalent of her masters. It had never crossed her mind that the documents were forged or fake and she would not have been so “stupid” as to knowingly provide fake documents.
 - g. The Licensee did not provide further details about the circumstances of her receiving the York Documents during the November Hearing because she was not given the chance and no one asked her. She didn’t know whether she should tell the November Hearing Committee those things or whether she would have the right to say things without being asked.
24. The Licensee testified that she did not find out the York Documents were not authentic until she was so advised by the Council investigator. She could not sleep for a month and felt “very stupid”. She wanted to report Mr. M to the police but did not do so on the basis of legal advice she received. She had not seen Mr. M since 2012 or 2011. She obtained his phone number from a contact she knew but did not contact him directly; she instead provided it to her lawyer and the Council investigator.
25. The Licensee testified that she produced the York transcript at the November Hearing because she was trying to be truthful and submit what relevant evidence she had. She thought at the time that it would be “a great help” to her case, as she believed it showed a transfer or conversion of her Chinese credentials to a Canadian credential and that it showed certain courses she had taken in China, including accounting and management. She stated she “was prepared just in case they are going to ask me”. When she produced the York Documents in the November Hearing, she believed them to be real. She stated:

Of course I think they are authentic and they are real. If I knew that they were forged documents, why did I provide them? I wouldn’t be that stupid. That’s only because I believed there was no bad people around me. I believed in Mr. M. I believed he did something good for me.

...

If I – should I have known that they were fake documents or forged documents and provided and misleading, I know that it’s criminal offence and people can go to jail for it, so even if I lose my case, that was – the previous one, you know what I mean? I wouldn’t take the risk.

26. In addition to the above narrative, the Licensee testified that since the November Hearing, she has made efforts to try to improve her English. She also testified in cross-examination that she made efforts to improve her English between the July 2021 Review Committee meeting and the November Hearing in 2023.

Cross-Examination

27. In cross-examination, the Licensee gave the following evidence:

- a. Although only one course on her master's degree transcript from China contained the word "economics" in the title, various other courses covered economics principles. She testified that the courses "Dialectics of Nature", "Foreign Language: English", "Professional Foreign Language", and "Lectures on Law" related to management.
- b. Although she felt Ms. J had incorrectly stated that she was the Licensee's counsel at the July 2021 Review Committee meeting, the Licensee did not say anything to correct her during the meeting or afterwards. The Licensee was taken to an email exchange in May 2021 between herself, the Council's investigator, and Ms. J in which the Licensee identified Ms. J as her lawyer who would attend with her at the review meeting. The Licensee testified that what she meant was that Ms. J was a licensed lawyer but she only ever acted as the Licensee's employee or assistant, not as her legal counsel for the purposes of the Council review meeting.
- c. The Licensee was taken to part of the July 2021 transcript where she was asked about "MBA" being on other documents she used with the insurance company (an insurance illustration). She advised the July 2021 Review Committee that an assistant made the mistake and they changed it later. She said "...I told them I'm a master, but they put MBA, I correct later". The Licensee testified before this Committee that the "mistake" she referred to was the fact that "MBA" was not taken off the documents when requested; the reference to an MBA itself was not a mistake.
- d. The Licensee agreed that she knew since the Notice of Hearing was issued in August of 2022 that the Council alleged that she was improperly marketing to clients that she had an MBA when she did not. She also agreed that between the Notice of Hearing being issued in August 2022 and the November Hearing, she did not advise the Council that she had an MBA degree certificate from York or generally.

- e. The Licensee agreed that when it comes to insurance-related documents, she does not have difficulty reading them in English and that she would act as translator for her clients in filling out these documents.
- f. It was put to the Licensee that the courses on the York transcript were listed for the years 2003-2005, even though she had completed her master's courses by the year 2000. She said that she did not look at the transcript carefully at the time she received it (in 2005) and did not notice this discrepancy. She did review it enough to see that there were courses in management, economics and accounting. She did not notice that the courses were divided into four groups of four courses, while she had only taken 15 courses in her master's program. She commented that English was quite difficult for her at that time. She did not agree that she looked at the York transcript, only that she glanced at it. She stated that she did not look at the York transcript to prepare to give evidence in 2023 for the November Hearing – she just gave the envelope to her lawyer without looking at it. She explained that she was more focused on the allegations relating to her clients.
- g. It was put to the Licensee that because she paid thousands of dollars to Mr. M, which she said was a lot of money for her at the time, she would have checked to make sure the documents met with her expectations. She responded that it “completely” met her expectations because it showed an MBA equivalent title and a very formal stamp.
- h. The Licensee was taken through her Chinese master's transcripts and the York transcript. She agreed that the courses she took for her Chinese master's did not appear on the York transcript, but said she had not noticed that before. She testified that at the time she received the York transcript, she thought it reflected equivalent courses to her Chinese master's courses. She did not think it was odd that an accounting course appeared on the York transcript despite the fact that she had not taken any accounting course in her master's degree because she had taken accounting courses in her bachelor's degree program, so she thought that requirement would have been waived or exempted for her.
- i. The Licensee testified that she did not notice the class sizes or class averages on the York transcript, the stamp that read “issued to student”, the student number, or the fact that her birth date did not include a year, but agreed that had she noticed them, she would have found them to be odd.
- j. It was put to the Licensee that when she told the November Hearing Committee that when she said, “I have master degree in China and also masters in business

administration in Canada”, she knew that it was not true. She disagreed and stated if she had been able to complete her statement, she would have said that she had a converted or certified MBA degree in Canada. She acknowledged that she was not cut off in her statement, but she did not agree that she had the opportunity to complete her thought. She said that if she had been asked about the details, she would have told the November Hearing Committee about the conversion process with her degree. She also said that she did not have time or the opportunity to explain the credential process.

- k. The Licensee agreed that she knew going into the November Hearing that she was going to be asked about the MBA issue. When asked whether she agreed that she had months to prepare what she wanted to say about it, she responded that she did not prepare for this issue, she simply gave the documents to her lawyer and they spent 99% of the time preparing for the issues relating to clients.
- l. It was put to the Licensee that, based on the information about course availability in Mr. T’s affidavit, the York Transcript must not have been created until 2006. She did not agree. She also denied having purchased the transcripts from a website selling fake transcripts and degrees.

SUBMISSIONS OF THE PARTIES

Council

28. The Council submits that the Licensee is not a credible witness and that her explanation as to why she believed that the York Documents were legitimate at the time of the November Hearing should not be believed. The following is a summary of the factors the Council points to (among others) in support of its position that the Licensee’s evidence was not believable:

- a. Her story is inherently improbable. It is objectively unlikely that the Licensee did not review or understand the content of the York Documents and what they conveyed when she testified at the November Hearing considering that she had relied on them to put “MBA” on her business card and professional records and that the legitimacy of her educational credentials was at issue.
- b. At the November Hearing, the Licensee conveyed that she had a master’s degree in China as well as an MBA in Canada and tendered the York Documents without telling the Committee the context that she had never attended York or taken the classes on the transcripts. She did not mention anything about a credentialing process.

- c. The Licensee told the July 2021 Review Committee that she did not have an MBA and that her documents containing “MBA” were a mistake, which cannot be reconciled with her story at this hearing. Her explanations to reframe what she said in the July 2021 transcripts do not make sense.
 - d. The timing of the Licensee’s evidence with respect to the Mr. M story was internally inconsistent and inconsistent with the evidence of Mr. P. Mr. P is a former chairman of the Blue Sky Club. He testified that he thought the Licensee joined the Blue Sky Club in around 2005, or about three years after it was founded in approximately 2003.
 - e. The Licensee’s evidence was evasive, longwinded, and argumentative; she refused to answer simple questions; and she changed her testimony during direct and cross-examination.
29. The Council submits that if the Hearing Committee rejects the Licensee’s evidence as not credible, the only inference that can reasonably be drawn is that the Licensee knew the York Documents were fake and that she intended to mislead the November Hearing Committee. On this basis, the Council submits that the Licensee breached sections 3 (Trustworthiness), 4 (Good Faith), and 12 (Dealing with the Insurance Council of British Columbia) of Council’s Code of Conduct and Council Rule 7(8).

The Licensee

30. The Licensee submits that the evidence does not support a finding that the Licensee knew the documents were fake at the November Hearing or that she intended to mislead the November Hearing Committee. To the contrary, the evidence supports the Licensee’s testimony that she honestly believed the York Documents she produced at the November Hearing were genuine. The Licensee points to the following in support of her position (in summary):
- a. She was a young immigrant to Canada at the time of her interactions with Mr. M and what seemed reasonable to her was influenced by her experiences in China and with the Chinese-Canadian community in the Toronto area.
 - b. The Licensee already had a master’s degree before she received the York Documents and did not need to fraudulently claim a higher level of education.
 - c. Mr. M’s offer to “match” the Licensee’s degree appeared to align with his area of work and expertise.

- d. Mr. M was a highly respected and prominent person in the Chinese-Canadian community in Toronto and the Licensee trusted him. The Licensee's evidence in this respect was consistent with Mr. P's evidence.
 - e. The fact that the Licensee tracked down and provided Mr. M's phone number and name to the Council investigator supports that her story is true. She could have created a story that avoided naming anyone or named someone who could not be found.
 - f. It is improbable that the Licensee would risk her career and possibly even criminal prosecution to avoid an adverse finding on one allegation at the November Hearing. Any potential benefit to her was far outweighed by the enormous potential consequences, particularly in a setting where she would expect to be questioned about the documents extensively.
 - g. It improbable that the Licensee would have produced the transcript of courses and marks and insist that a copy be provided to counsel if she knew that the York Documents were forgeries.
31. The Licensee submits that it was difficult for her to explain that she had only one master's degree which she believed had been certified into a Canadian equivalent, and that more than a parsing of grammar, word choice, manner of speaking, and demeanour is needed to find that she misled the November Hearing Committee. She cautions the Hearing Committee that difficulty communicating clearly in a second language or through an interpreter may lead to lack of clarity, difficult explanations, or even inconsistency, but that this is not the same as intentionally misleading.

DECISION OF THE HEARING COMMITTEE

Legal Principles

32. In determining whether the allegations set out in the Notice of Hearing are proven, the Hearing Committee must apply a "balance of probabilities" standard. This requires the Hearing Committee to assess whether it is more likely than not that the Licensee engaged in the conduct alleged in the Notice of Hearing based on "sufficiently clear, convincing and cogent" evidence (*FH v McDougall*, 2008 SCC 53 at paras. 45-46). The burden is on the Council to prove the allegations in the Notice of Hearing.
33. In determining whether the Council has proven its case, the Hearing Committee must assess the Licensee's credibility and reliability. The BC Supreme Court provided the following guidance on

assessing credibility in *Bradshaw v. Stenner*, 2010 BCSC 1398 at paras. 186-187, aff'd 2012 BCCA 296 (citations omitted):

The art of assessment involves examination of various factors such as the ability and opportunity to observe events, the firmness of his memory, the ability to resist the influence of interest to modify his recollection, whether the witness' evidence harmonizes with independent evidence that has been accepted, whether the witness changes his testimony during direct and cross-examination, whether the witness' testimony seems unreasonable, impossible, or unlikely, whether a witness has a motive to lie, and the demeanour of a witness generally ... Ultimately, the validity of the evidence depends on whether the evidence is consistent with the probabilities affecting the case as a whole and shown to be in existence at the time...

It has been suggested that a methodology to adopt is to first consider the testimony of a witness on a 'standalone' basis, followed by an analysis of whether the witness' story is inherently believable. Then, if the witness testimony has survived relatively intact, the testimony should be evaluated based upon the consistency with other witnesses and with documentary evidence. The testimony of non-party, disinterested witnesses may provide a reliable yardstick for comparison. Finally, the Court should determine which version of events is the most consistent with the "preponderance of probabilities which a practical and informed person would readily recognize as reasonable in that place and in those conditions". ...

34. The Hearing Committee must make an assessment based on probable interpretations of the evidence, which may be informed by common-sense, life experience, and logic (*R. v. Kruk*, 2024 SCC 7 at paras. 71-73, 75). At the same time, the Hearing Committee is mindful of the fact that the Licensee speaks English as a second language, provided most of her evidence through an interpreter, and grew up in a different cultural context, and these considerations are relevant to its analysis of the Licensee's evidence (*Broman v Pang*, 2023 BCSC 353 at para. 17; *Fu v. Zhu*, 2018 BCSC 9 at paras. 39-42).

Findings

35. Having considered all of the evidence before it, the Hearing Committee finds on a balance of probabilities that at the time of the November Hearing, the Licensee knew that the York Documents were fake and that she did not have an MBA from a Canadian university. By giving evidence at the November Hearing that she had an MBA from Canada and tendering the York Documents through

her then-counsel in support of that evidence, she attempted to mislead the November Hearing Committee.

36. The Hearing Committee does not accept the Licensee's explanation that she told the Review Committee in July 2021 that the MBA on her business documents was a "mistake" because she had decided to remove that designation from her documents for marketing purposes, despite believing that she did have a Canadian MBA. The Licensee's explanation that her clients, who she described as investors and entrepreneurs, were uneducated and intimidated by her education level does not accord with common sense or with the evidence of Dr. X about the value of education in Chinese culture. The Licensee's clients were hiring her for her business knowledge and expertise. A decision to take steps to remove a reference to relevant educational credentials that she honestly believed she had would be at odds with the stated goal of marketing herself as a trusted business advisor. Her evidence does not accord with how one would expect business decisions to be made, either by the Licensee or her clients. It is also at odds with Dr. X's evidence, which the Hearing Committee accepts and which was not challenged, that education is highly valued in Chinese culture and that MBAs are seen as prestigious.
37. The Hearing Committee concludes that the Licensee's explanation for saying her MBA was a "mistake" to the July 2021 Review Committee is not credible or believable. The most reasonable explanation for the Licensee having told the July 2021 Review Committee that the MBA on her documents was a "mistake" was because she knew that she did not have an MBA and that it should not have been on her business documents. While recognizing the Licensee's evidence in July 2021 was given without the benefit of an interpreter, it is apparent from the context of the conversation that she was denying having an MBA degree. She was saying that she had a master's degree, but not an MBA, and this was the "mistake" she was referring to that she had sought to correct. The Hearing Committee does not accept that the Licensee did not intend to communicate that she did not have an MBA but that her explanation was coloured by her limited English abilities at that time.
38. Further, the Hearing Committee does not find the Licensee's explanations about her understanding of an "MBA" to be credible. The Licensee's evidence was that she did not know what an MBA program was when she first received the York Documents in 2005 or when she applied to the insurance company in 2006/2007. At the same time, she says that she told the insurance company that she had an MBA and used it on her business cards until about 2015, nearly a decade. It is not believable that she would hold herself out to a prospective employer and clients as having these credentials without knowing what they were. As a new immigrant who was seeking to establish herself in Canada and who was unfamiliar with Canadian university degrees, one would expect that she would

be particularly careful to understand the qualifications that she was holding herself out as having to a Canadian employer.

39. The Licensee stated that she did not understand what an MBA was when she received the York Documents in 2005, but she also said that she knew as far back as the year 2000 that the courses she was taking were very similar to MBA courses. It cannot be that she both understood at the time she was taking her master's courses in China in 2000 that the courses she was taking were similar to courses one would take in an MBA program, and that she did not understand what an MBA program was in the mid-2000s. The Hearing Committee finds this to be an example of the Licensee's evidence shifting depending on what she perceived to be a favourable response to the question asked. The Hearing Committee finds this to be a factor supporting the Licensee's lack of credibility.
40. The Hearing Committee finds the Licensee's evidence with respect to Ms. J, the lawyer who attended the July 2021 Review Committee meeting with her, to provide another example to support her lack of credibility. The Licensee first described Ms. J as her "administrative manager" and said that while Ms. J had been called to the bar, she had never hired her to act as her lawyer. When it was put to her in cross-examination that she had referred to Ms. J as her lawyer who would be attending the Review Committee Meeting with her in correspondence with the Council's investigator prior to the July 2021 Review Committee meeting, she said that Ms. J was a licensed lawyer but had only been hired as her employee or assistant, and had not acted as her legal counsel for the purpose of the Review Committee meeting. The Hearing Committee does not accept that the Licensee would have told the Council investigator that Ms. J was her lawyer if she was only ever hired as an assistant or employee and was limited to such a capacity in her attendance. The Hearing Committee rejects the Licensee's claim that her English abilities in 2021 were such that she did not understand what it meant to refer to Ms. J as her lawyer.
41. The Hearing Committee does not accept the Licensee's evidence that she had not reviewed the York Documents at all prior to the November Hearing. Even assuming that she received the York Documents from Mr. M in 2005 and had not carefully looked at them at the time, it is not believable that she did not review the documents at all in the years between when the issue of her educational credentials were first raised in July 2021 and the November Hearing, or in the time between when the Notice of Hearing raising the matter of her educational credentials was issued in August 2022 and the November Hearing.
42. The Licensee knew that the validity of her educational credentials was directly at issue in the November Hearing. When she was asked about this issue by counsel for the Council during the November Hearing, she immediately referred to the fact that she had both the certificate and the

original transcript for the MBA with her. She referenced the fact that she had re-read the transcript for the July 2021 Review Committee Meeting in preparation for giving her evidence. In the hearing before this Hearing Committee, when explaining why she had specifically mentioned her transcript during her evidence at the November Hearing, she said she had her certificate and transcript with her because she was prepared to be asked questions about them, but no one asked her those questions. It is not believable that she had prepared to answer questions about the York Documents at the November Hearing without having looked at them since 2005. The Hearing Committee infers that the Licensee had reviewed the York Documents prior to the November hearing and understood that they represented that she had obtained an MBA from York University.

43. The Licensee's evidence in cross-examination regarding the York transcript and her Chinese master's degree transcript also indicated a lack of credibility and an unwillingness to make reasonable concessions. For example, the Licensee's evidence was that she believed courses called "Dialectics of Nature" and English language courses on her Chinese master's degree transcripts to be related to economics and/or management. She explained that the reason for this was because it was necessary to learn the foreign language in order to study transportation management and to train leaders. However, she refused to agree that this was distinct from studying management within the language course. In relation to her York Transcript, she said that she had glanced at the transcript enough to recognize courses relating to management, economics, and accounting, but would not admit to having noticed practically anything else at all about the transcript, such as the fact that it did not contain the courses she studied in China or that it contained class sizes or averages, a student number, or a stamp reading "issued to student". She would not acknowledge that she had "looked at" the transcript, only that she had "glanced at" it. The Hearing Committee finds it unbelievable that she would have noticed these few words and none of the other details she was asked about, even on a "glance".
44. The Hearing Committee concludes that the Licensee was not honest in her evidence about the state of her knowledge and belief about her educational credentials or the York Documents at the time of the November Hearing. The most reasonable inference to draw in the circumstances is that the Licensee stated at the November Hearing that she had an MBA in Canada and tendered the York Documents in support of her testimony because she wanted the November Hearing Committee to believe that she had an MBA and that she had not been misleading in her educational credentials as alleged.
45. The Hearing Committee has considered the improbability that the Licensee would take the risk of relying on fake or forged documents in the November Hearing given the severity of the potential consequences if it were discovered. The Hearing Committee cannot know what the Licensee

understood as to the risks and benefits of relying on the York Documents at the time of the November Hearing, or what motivated her decisions. The Hearing Committee can only make findings based on the evidence introduced at this hearing. On that evidence, the Hearing Committee is satisfied on a balance of probabilities that the Licensee knowingly attempted to mislead the November Hearing Committee as to her educational credentials.

46. Given these findings, the Hearing Committee finds it unnecessary to consider the alternative allegation that the Licensee was reckless or wilfully blind.

Did the Licensee's conduct breach the Code or Rules?

(i) Code s. 3: Trustworthiness

47. Section 3.2 of the Code provides:

You must be trustworthy, conducting all professional activities with integrity, reliability and honesty. The principle of trustworthiness extends beyond insurance business activities. Your conduct in other areas may reflect on your trustworthiness and call into question your suitability to hold an insurance licence.

48. The Guidelines set out in s. 3.3.1 state that "Conduct that would reflect adversely on your trustworthiness includes: ... (c) intentionally misleading clients, insurers or Council through false statements or by withholding material information." The examples in s. 3.4.10 includes making false or misleading statements to Council.

49. Having found that the Licensee was dishonest in her evidence at the November Hearing and provided false documents in an attempt to mislead Council, the Hearing Committee concludes that the Licensee's conduct breached section 3 of the Code.

(ii) Code s. 4: Good Faith

50. Section 4.2 of the Code provides:

You must carry on the business of insurance in good faith. Good faith is honesty and decency of purpose and a sincere intention on your part to act in a manner which is consistent with your client's or principal's best interests, remaining faithful to your duties and obligations as an insurance Licensee.

You also owe a duty of good faith to insurers, insureds, fellow Licensees, regulatory bodies and the public.

51. The Guideline in s. 4.3.1(a) provides that wilful disregard of duties and obligations under the Act, Rules and Code amounts to conduct that would reflect adversely on a licensee's intention to practice in good faith. Drafting and signing a false certificate of insurance is provided as an example of misconduct in s. 4.4.9.
52. The Hearing Committee finds that the Licensee failed to act in good faith contrary to s. 4 of the Code when she knowingly provided false evidence in the November Hearing.

(iii) Code s. 12: Dealing with the Insurance Council of British Columbia

53. Section 12.2 of the Code provides:

You must respond promptly and honestly to inquiries with Council.

54. The Guidelines in s. 12.2 state that it is a breach of the Act under section 231(1)(c) to make a material misstatement in an application for a licence or in response to an inquiry from Council. Examples are provided in ss. 12.4.2 and 12.4.4 of swearing a false affidavit to Council and making material misstatements in reply to an inquiry from Council.
55. The Hearing Committee finds that the Licensee's conduct breached s. 12 of the Code by failing to be honest in response to Council.

(iv) Rule 7(8)

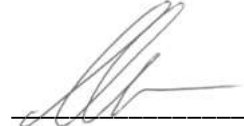
56. Rule 7(8) of the Council Rules provides: "A Licensee must comply with the Council's Code of Conduct, as amended from time to time". As the Hearing Committee has found that the Licensee's conduct breached ss. 3, 4, and 12 of the Code, it follows that in so doing, she also breached Rule 7(8).

Conclusion

57. The Hearing Committee concludes that s. 1(a) of the Notice of Hearing is proven on a balance of probabilities. The Hearing Committee finds that the Licensee attempted to mislead the November Hearing Committee by testifying that she had an MBA from Canada and supporting that testimony by tendering the York Documents, knowing that this evidence was untrue and that the York Documents were not authentic. In so doing, she breached ss. 3, 4, and 12 of Council's Code of Conduct and s. 7(8) of the Council Rules.
58. Having found s. 1(a) of the Notice of Hearing to be proven, it is unnecessary to consider the alternative allegation in s. 1(b).

59. Given these findings, the Hearing Committee will make a direction as to the provision of submissions in relation to s. 2 of the Notice of Hearing on input from the parties. The Hearing Committee asks the parties to provide their position on the manner and timing in which those submissions ought to be provided within two weeks of the date of these reasons.

Dated in Vancouver, British Columbia, on the **28th day of October, 2024.**

A handwritten signature in dark ink, appearing to be 'Glen Ewan', is written over a horizontal line.

Glen Ewan, K.C.
Chair of the Hearing Committee

In the Matter of

The *FINANCIAL INSTITUTIONS ACT*

(R.S.B.C. 1996, c. 141)
(the “Act”)

And

THE INSURANCE COUNCIL OF BRITISH COLUMBIA

(“Council”)

And

HONG WEI (WINNIE) LIAO

(the “Licensee”)

| | | |
|-----------|--|---|
| Date: | January 14, 2025 9:30 a.m. (by videoconference) | |
| Before: | Glen Ewan, K.C. Gary Barker Jeny Yeung | Chair Member Member |
| Location: | Insurance Council of British Columbia 1400 – 745 Thurlow Street Vancouver BC | |
| Present: | Andrew Gay, K.C. William B. Smart Nicole C. Gilewicz David Eleff | Counsel for Council Counsel for the Licensee Counsel for the Hearing Committee |

**REASONS FOR DECISION OF THE HEARING COMMITTEE
(DISCIPLINARY MEASURES AND COSTS)**

INTRODUCTION

1. On October 28, 2024, this Hearing Committee gave its reasons for finding that the allegations set out against the Licensee in s. 1(a) of the Notice of Hearing were proven on a balance of probabilities. As set out in the October 2024 reasons, this Committee found that the Licensee attempted to mislead a different hearing committee of the Council by testifying that she had an MBA from a Canadian university and supporting that testimony by tendering false documents, knowing that the evidence was untrue and the documents were not authentic. In so doing, she breached section 3 (“Trustworthiness”), section 4 (“Good Faith”), and section 12 (“Dealing with the Insurance Council of British Columbia) of the Council’s Code of Conduct and Rule 7(8) of the Council Rules.
2. These reasons address the Hearing Committee’s determination in respect of s. 2 of the Notice of Hearing, which asks whether the Council should confirm, revoke or vary an order of May 29, 2024 (the “May 2024 Order”), or take other action under ss. 231, 236, or 241.1 of the Act. In other words, these reasons deal with the appropriate penalty and costs flowing from the Committee’s October 2024 findings.
3. The May 2024 Order was made under s. 238(1) of the Act cancelling the Licensee’s Life and Accident and sickness insurance licence without the possibility of reapplying for a three-year period from the date of the order. Council asks that the May 2024 Order be varied such that the Licensee be restricted from re-applying for a 10-year period; the Licensee submits that the three-year period in the May 2024 Order is an appropriate length. Other than that, and one other disputed term, the parties are largely in agreement of the appropriate penalty and costs order. The Licensee does not oppose the following terms sought by Council:
 - a. A fine in the amount of \$25,000 (to be paid within 90 days of the date of this decision);
 - b. That it be a condition of licensure that any fines and/or costs be paid in full on application for licensure, if not already paid; and
 - c. Council’s entitlement to costs or the quantum of costs presented in the amount of \$54,864.28 (to be paid within 90 days of the date of this decision).
4. In fulfilling its mandate, the Hearing Committee must bear in mind the overarching purpose of the Act: the protection of the public. Council is responsible for protecting the public and ensuring that licensees are competent and carry on the business of insurance in accordance with their ethical obligations. It is through this lens that the Hearing Committee has considered the positions of the parties as to the appropriate disciplinary order.

LEGAL PRINCIPLES: DISCIPLINARY ACTION

5. There are many summaries of the legal principles that apply when crafting an appropriate sanction in a professional disciplinary matter. Hearing Committees have often referred to the following guidance set out by James T. Casey in his textbook, *Regulation of Professions in Canada*:

A number of factors are taken into account in determining how the public might best be protected, including specific deterrence of the member from engaging in further misconduct, general deterrence of other members of the profession,

rehabilitation of the offender, punishment of the offender, isolation of the offender, denunciation by society of the conduct, the need to maintain the public's confidence in the integrity of the profession's ability to properly supervise the conduct of its members, and ensuring that the penalty imposed is not disparate with penalties imposed in other cases.

6. These factors are oft cited with approval in regulatory decisions of Council and other professional regulatory bodies in Canada. In addition, the Sanctions Principles Guidelines in the Council's Guide to the Disciplinary Process sets out a list of possible aggravating and mitigating factors, which the Committee has considered.
7. Similar principles are applied by other professional regulators when considering how to determine a fair and appropriate penalty for professional misconduct. One of the leading decisions of the British Columbia Law Society is *Law Society of BC v. Ogilvie*, [1999] LSBC 17 (para 10), where the hearing panel provided a lengthy list of factors that might be considered, including:
 - a. The nature and gravity of the conduct proven;
 - b. The age and experience of the respondent;
 - c. The previous character of the respondent, including details of prior discipline;
 - d. The impact upon the victim;
 - e. The advantage gained, or to be gained, by the respondent;
 - f. The number of times the offending conduct occurred;
 - g. Whether the respondent has acknowledged the misconduct and taken steps to disclose and redress the wrong and the presence or absence of other mitigating circumstances;
 - h. The possibility of remediating or rehabilitating the respondent;
 - i. The impact upon the respondent of criminal or other sanctions or penalties;
 - j. The impact of the proposed penalty on the respondent;
 - k. The need for specific and general deterrence;
 - l. The need to ensure the public's confidence in the integrity of the profession; and
 - m. The range of penalties imposed in similar cases.
20. It is through these principles that the Hearing Committee has analyzed the misconduct proven by Council in this matter and reached its conclusion about the appropriate penalty order to make given the particular facts and circumstances of this case.

Positions of the Parties

8. In addition to the unopposed terms set out above, Council submits that the May 2024 Order should be varied to a ten-year term of licence cancellation for the Licensee before she can reapply.
9. Council also seeks an order that the Licensee be barred from being a controlling shareholder, partner, officer or director of any licensed agency in British Columbia for a period of 10 years.
10. Council took the position that the misconduct in this matter was serious and highly egregious. Council suggests that the Licensee is untrustworthy to the point where she poses a risk to the public and should not be permitted to be a member of the profession.
11. The Licensee says that a 3-year term of cancellation is appropriate in the circumstances.
12. The Licensee opposes the order sought by Council she should be barred from being a controlling shareholder, partner, officer or director of any licensed agency in British Columbia at all, let alone for period of 10 years.
13. Both parties made submissions through their legal counsel. The Licensee filed letters of support written by three of her daughters, a doctor of Chinese medicine and a pastor from her church.
14. The Licensee also filed a letter providing the Hearing Committee with information outlining her personal circumstances around the time of breaches found by the Hearing Committee in its October 28, 2024, decision. Additionally, in this letter, the Licensee provided the Hearing Committee with details of how this decision has impacted her as well as her reflections subsequent to its release.
15. Council and the Licensee took different views on whether or not the letter showed genuine remorse.
16. Council took the position that the Licensee's letter was vaguely worded and did not explicitly express remorse for the actual misconduct that she had committed.
17. In general terms, the Licensee contended that the letter was an expression of genuine remorse and should be treated as such.

ANALYSIS

21. In the following section of the decision, the Hearing Committee considers the relevant factors in relation to this matter, with a view to addressing the appropriate length of the cancellation of the Licensee's licence to practice in the industry and other terms of the penalty order.

Deterrence and public confidence

Council submitted that there is also a need for the penalty in this proceeding to pay heed to the need for general deterrence and to some extent specific deterrence of the Licensee should she re-obtain a licence once eligible to do so. The Hearing Committee is of the view that the penalty must adequately reflect the seriousness and nature of the offences in order to send a strong message to other licensees and the public. Trustworthiness, good faith and honesty in all dealings with the Council are core

professional elements required by all licensees. There is a need on the part of Council to ensure that the disciplinary action in this proceeding adequately promotes and preserves the public confidence in the regulation of the profession.

Mitigating & Aggravating factors

22. Council submitted with respect to the mitigating factors set out in the Sanctions Principles Guidelines:

- a. The Licensee's breach or misconduct should be treated as an isolated incident;
- b. The Licensee is very experienced, which Council says mitigates against a lenient penalty;
- c. Though the Licensee cooperated with the investigation, she should not derive benefit given that Council established that the version of events she provided to the investigator has been proven to be false and that the Licensee was intentionally misleading;
- d. The Licensee has not acknowledged the misconduct or shown remorse for her wrongdoing;
- e. This case did not involve harm to any particular client or clients, however the misconduct is harmful to the public's view of the profession and erodes public trust;
- f. There is no evidence that the Licensee has made efforts to remedy the breach or misconduct;
- g. There is no evidence that the Licensee has made efforts to minimize the consequences of the breaches or misconduct.

23. Council submitted with respect to aggravating factors:

- a. The Licensee does not have a past history of similar complaints;
- b. The events did not take place over an extended period of time and should be treated as an isolated incident;
- c. The breach or misconduct shows a flagrant disregard for the Code of Conduct on the part of the Licensee;
- d. The Licensee made material misstatements and lied in response to Council's inquiries and investigations;
- e. The Licensee should not be given the opportunity to repeat the misconduct or breach regardless of the likelihood, given that the nature of the breach lends itself to a conclusion that the Licensee cannot be trusted;

- f. To date the Licensee has denied the breach or misconduct and there has been no show of remorse on her part;
 - g. The Licensee did not derive financial benefit from her misconduct;
 - h. The Licensee poses significant risk to the public as she is dishonest and cannot be trusted;
 - i. Though this case did not involve a client, the misconduct erodes public trust.
24. The Licensee agreed with Council's stance on many of the mitigating and aggravating factors.
 25. The Licensee disagreed that she had not demonstrated remorse, citing the letter she penned and the letters of support as evidence that she is in fact remorseful.
 26. The Licensee disagreed with the assertion by Council that she cannot be trusted, citing her many years in the field and track record over the years of servicing clients without issue.
 27. Council in reply submissions urged the Hearing Committee to treat the Licensee's letter with caution, asserting that the letter did not actually acknowledge wrongdoing or remorse for having committed misconduct.
 28. With respect to the letter filed by the Licensee, the Hearing Committee finds that its contents demonstrate some expression of remorse by the Licensee and an appreciation for the gravity of her misconduct.

Range of penalties in prior decisions

29. The Hearing Committee considered the range of sentences imposed in similar cases to be relevant to ensuring that the penalty in the current proceeding is not inconsistent with prior disciplinary outcomes.
30. Both parties provided the Hearing Committee with submissions on a number of prior decisions of Council that they argued should be considered by the Hearing Committee in terms of establishing a "range" of penalty for the misconduct of the Licensee. The Hearing Committee will not address all of the decisions advanced by the parties, but has reviewed them in the course of reaching this decision.
31. Among others, Council referred the Hearing Committee to the following cases:
 - i. [*Re Tuoi Thi \(Julie\) Ngo*](#) (ICoBC, December 5, 2022);
 - ii. [*Re Prince Martin Ola*](#) (ICoBC, August 14, 2024);
 - iii. [*Re Alvinder Singh Gill*](#) (ICoBC, March 4, 2024);
 - iv. [*Re Gagandeep Singh Dhillon*](#) (ICoBC, July 6, 2022);
 - v. *Re Kim* 2020 LNBCSC 125;
 - vi. [*Re Lohrisch*](#) 2010 IIROC 31; 2012 LNBCSC 184.

32. Council concedes that no case presented has the equivalent facts to the Licensee's case. Council says that the cases referenced are useful in relation to the broader themes at play here of deceit and dishonesty and help illustrate that the Licensee's misconduct falls at the highest end of egregious conduct.
33. Overall, when these prior decisions are considered, it appears to the Hearing Committee that the range of disciplinary action in situations bearing some similarities to the Licensee's case, that a period of licence cancellation and a fine are well warranted given the nature of the breaches and misconduct.

DECISION

34. The nature of the misconduct proven by Council in this instance supports that the misconduct must be regarded as falling at the serious end of the spectrum. The conduct issues in this proceeding strike at the core of fundamental obligations of a licensee. The industry relies on the honesty and forthrightness of licensees. Further, licensees have an obligation to be honest when dealing with Council.
35. The Hearing Committee has concluded that the seriousness of the misconduct militates in favour of a strong disciplinary action.
36. When considering its findings in the October 2024 Decision, the applicable mitigating and aggravating factors and the submissions of both parties, the Hearing Committee finds that the Licensee should have her licence remain cancelled until May 29, 2029, for a total period of cancellation of five years.
37. The Hearing Committee in considering the appropriate term of cancellation within the range advanced by both Council and the Licensee gave weight to the following factors in determining that a period of 10 years was not appropriate in these circumstances:
 - a. that no harm was caused to any particular client or clients;
 - b. the Licensee had no prior history of similar conduct and this was an isolated incident;
 - c. the Licensee did not derive financial benefit from the misconduct;
 - d. the Licensee demonstrated she appreciated the gravity of the misconduct and has made no attempt to minimize the consequences of the misconduct.
38. The Hearing Committee gave weight to the following factors in determining that elevating the term of cancellation beyond 3 years is warranted in the circumstances:
 - a. The Licensee made material misstatements and was dishonest in response to Council's inquiries and investigations;
 - b. In doing so, the Licensee committed flagrant breaches of her professional obligations.

39. The Hearing Committee also finds that it is appropriate to order that the Licensee be prohibited from serving in a role as controlling shareholder, partner, officer or director of any licensed agency in British Columbia for the duration of the period of the Licensee's licence cancellation.
40. The Hearing Committee is of the view that permitting the Licensee to maintain a controlling stake in some capacity could potentially conflict with or undermine the order with respect to the term of licence cancellation and therefore finds it is justified in the circumstances.
41. In addition to the order and terms of the license cancellation, the Hearing Committee finds that the suggested fine of \$25,000 is appropriate.

COSTS

42. Even though the parties are also in agreement with respect to the payment of costs by the Licensee to Council, the Hearing Committee has also considered the reasonableness of the costs sought by Council. The Act provides for the assessment of costs in section 241.1. As set out in the Act, costs can be ordered in relation to both the investigation and the hearing.
43. In total, Council asked for an order that it be reimbursed its costs in the amount of \$54,864.28, to be paid by the Licensee within 90 days and in any event, before the Licensee can apply for licensure, once she regains eligibility to do so.
44. As noted above, the Licensee did not dispute the costs claimed by Council. The Hearing Committee has reviewed the costs claimed by Council as against the provisions and tariff set out in Policy J.21 – Assessing Investigation Costs and Hearing Costs Policy. The Hearing Committee is satisfied that the costs sought by Council are fair and appropriate in light of the manner in which this hearing proceeded. The Hearing Committee, therefore, orders costs in the amount sought by Council, being \$54,864.28.

CONCLUSIONS OF THE HEARING COMMITTEE

45. For the reasons set out above, the Hearing Committee orders that the May 29, 2024 Order be varied, and the Hearing Committee orders as follows:
 - a. That the Licensee's life and accident and sickness insurance licence will remain cancelled;
 - b. That the Licensee be fined \$25,000, to be paid within 90 days of Council's order;
 - c. That the Licensee is prohibited from being a controlling shareholder, partner, officer or director of any licensed insurance agency in British Columbia for a period of 5 years, expiring at midnight on May 28, 2029;
 - d. That the Licensee be assessed Council's costs in the amount of \$54,864.28, to be paid within 90 days of Council's order; and

- e. That Council will not consider an application for any insurance licence from the Licensee prior to midnight on May 28, 2029, and until the fine and costs are paid in full.

Dated in Golden, British Columbia, on the **26th day of February, 2025.**

A handwritten signature in black ink, appearing to read 'Glen Ewan', is written above a horizontal line.

Glen Ewan, K.C.

Chair of the Hearing Committee