

In the Matter of the

FINANCIAL INSTITUTIONS ACT, RSBC 1996, c.141
(the “Act”)

and the

INSURANCE COUNCIL OF BRITISH COLUMBIA
 (“Council”)

and

TONGJUN LIU
(the “Licensee”)

ORDER

As Council made an intended decision on January 27, 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 February 10, 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 \$1,500, to be paid by June 15, 2026;
- 2) The Licensee is required to complete the following courses, or equivalent courses as acceptable to Council, by June 15, 2026:
 - i. The Council Rules Course for Life and/or Accident & Sickness Agents;
 - ii. Continuing Education Requirements & Guidelines Course
(collectively, the “Courses”);
- 3) The Licensee is assessed Council’s investigation costs in the amount of \$1,250, to be paid by June 15, 2026; and

- 4) The Licensee is required to complete the outstanding 19 continuing education credits by June 15, 2026;

- 5) A condition is imposed on the Licensee's life and accident and sickness insurance agent licence that failure to pay the fine and investigation costs, complete the Courses and outstanding continuing education credits by June 15, 2026, will result in the automatic suspension of the Licensee's licence and that the Licensee will not be permitted to complete his 2027 annual licence renewal until such time as he has complied with the conditions listed herein.

This order takes effect on the **16th day of March, 2026**



Janet Sinclair, Executive Director
Insurance Council of British Columbia

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA

("Council")

respecting

TONGJUN LIU

(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 regarding allegations that he failed to inform Council within five business days that his errors and omissions ("E&O") insurance had lapsed after his contract with an insurer (the "Insurer") was terminated, and that he failed to complete the required continuing education ("CE") credits for the 2020/2021 and 2022/2023 licence periods.
2. On December 4, 2025, 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 Licensee and Committee before the meeting. After reviewing the investigation materials and discussing the investigation, the Committee prepared a report for Council.
3. Council reviewed the Committee's report and the investigation report at its January 27, 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 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 June 22, 2015. The Licensee held both an unaffiliated authorization to represent ("ATR") and an ATR with TJ Liu Financial Services Corp., where he acted as the Nominee from September 30, 2016, to March 1, 2018.

Errors and Omissions Insurance

6. The Licensee had a contract with the Insurer from 2015 to December 9, 2022, when the Insurer terminated his contract. After the Licensee's contract was terminated, the Licensee failed to notify Council within five business days that he was no longer covered by E&O insurance as required by Council Rule 7(11). The Licensee stated that he assumed the Insurer would inform Council of his termination.
7. On December 13, 2022, the Insurer mailed the Licensee a termination letter which indicated his E&O insurance ended once he was terminated on December 9, 2022. However, the Licensee explained that after he was terminated, he did not open the mail from the Insurer and missed notifying Council within five business days that he did not have E&O coverage.
8. As a result of not reporting to Council within five business days that he no longer had E&O insurance after his contract with the Insurer ended, the Licensee's licence was without E&O insurance for a total of 167 days.
9. On May 25, 2023, the Licensee contacted Council staff and self-disclosed that his E&O insurance coverage through the Insurer had ceased and requested his license be placed into inactive status.
10. The Licensee stated that he had not conducted any insurance activities after his contract with the insurer was terminated because he switched careers.
11. On June 27, 2023, the Licensee reactivated his licence with Council and obtained the required E&O insurance.

Continuing Education Credits

12. As a part of Council's audit, the Licensee was required to send Council copies of CE certificates obtained for the 2020/2021, 2021/2022 and 2022/2023 licence periods (the "Licence Periods") to demonstrate that he met the required CE credits.
13. The Licensee was unable to provide Council with any CE certificates for the Licence Periods. He explained that he saved the CE certificates he obtained on the work computer provided to him by the Insurer. He copied the CE certificates onto an external device and returned the work computer to the Insurer after he was terminated. At the time, he did not verify that the CE certificates saved onto the external device would open. He explained that it was only when Council requested copies of the CE certificates that he discovered the CE certificates saved on the external device would not open and might have been encrypted.
14. Although the Licensee could not produce any evidence to demonstrate that he completed the required CE credits for the Licence Periods, he advised Council staff that he had completed more than 15 CE credits for each of the three Licence Periods.

15. The Licensee stated he had earned a variety of CE certificates from different providers. This included attending a conference that provided a significant amount of CE credits.
16. The Licensee advised he contacted the Insurer to try to access his former work email or the advisor learning website to obtain copies of the CE certificates, but the Insurer would not grant him access.
17. The Licensee stated he had been out of the country for most of 2025 and the regional internet restrictions abroad prevented him from completing any additional CE credits. When he returned to Canada, he was able to resume completing his CE requirements.
18. After the Committee meeting, Council requested copies of the Licensee's completed CE certificates from several course providers for the Licence Periods. Based on these additional CE certificates, the Licensee met the required CE credits for the 2021/2022 licence period but did not meet the required CE credits for the 2020/2021 and 2022/2023 licence periods. The Licensee has a shortfall of 19 CE credits for these two licence periods.
19. The Licensee also provided copies of CE certificates obtained outside of Council's audit period between October 2023 and March 2025. These CE certificates, in addition to ones from other course providers, demonstrate that the Licensee completed 33.5 CE credits during the 2023/2024 and 2024/2025 licence periods, and 1 CE credit in 2025/2026.
20. Overall, the Committee found the Licensee to have a shortfall of 19 CE credits for the 2020/2021 and 2022/2023 licence periods.

ANALYSIS

21. Council concluded that the Licensee's conduct amounted to breaches of Council Rules 7(5), 7(8) and 7(11) and Code of Conduct section 5 ("Competence").
22. Council determined that the Licensee breached Council Rule 7(5) and Code of Conduct section 5 ("Competence") because he was unable to produce any CE certificates for the 2020/2021 and 2022/2023 licence periods. While Council did find the Licensee to be credible, the Licensee could not provide any evidence to demonstrate his compliance with the Council Rules and Code of Conduct. Section 5.3.5 of the Code of Conduct states that a Licensee "*must comply with the continuing education requirements under the Rules.*"
23. Council determined the Licensee breached Council Rule 7(11)(c)(i) because he did not notify Council within five business days that he no longer had E&O coverage after his contract with the Insurer ended. Council recognized the Licensee's honesty when he self-disclosed the issue several months later. Council also acknowledged that the Licensee did not conduct any insurance activities during the period when he lacked E&O insurance coverage.

24. As the Licensee breached Council Rules 7(5) and 7(11) and Code of Conduct section 5 (“Competence”), Council also determined there was a breach of Council Rule 7(8), which requires a licensee to comply with Council’s Code of Conduct.

PRECEDENTS

25. Before making its recommendation on this matter, Council took into consideration the following precedent cases. While Council recognizes it is not bound by precedent and that 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.
26. [Gordon Kimberley Hinkson and Ocean West Financial Group Inc.](#) (September 2025): concerned a life agent licensee who failed to obtain the required CE credits for three consecutive licence periods and made a misdeclaration in his annual licence renewal about having completed the CE credits. He also did not maintain E&O insurance for a period of 118 calendar days or notify Council that his E&O insurance had lapsed. The agency failed to maintain the required E&O insurance and did not notify Council that its E&O insurance had lapsed or that it had been disciplined by the Insurance Councils of Saskatchewan. Council considered that the licensee and agency had relied on the E&O insurance agency to renew coverage for their needs, which the E&O insurance agency had failed to do. Council determined that a fine was not appropriate for the E&O lapse. Council ordered the licensee to pay a \$4,500 fine, representing \$1,000 for each licence period in which the Licensee failed to meet the CE requirements, plus an additional \$500 per licence period for making misstatements in his annual licence renewal declarations. Council also ordered the licensee to complete the outstanding CE credits, take the Council Rules Course and Continuing Education Requirements and Guidelines Course, and be jointly assessed investigation costs with the Agency.
27. [Ghousia Iram](#) (July 2025): concerned a life agent licensee who failed to obtain the required CE requirements for one licence period and did not maintain E&O insurance for a period of 173 days or notify Council that her E&O insurance had lapsed. The Licensee made up the outstanding credits outside of the audit period. Council found that a mitigating factor was that the licensee was new to the industry at the time of the breach, but found the misstatement that she had completed all CE requirements on her 2023 renewal application to be an aggravating factor. Council found a \$1,000 fine per licence period in which CE credits were not completed, and a \$1,000 fine for each year, or partial year, in which a licensee fails to maintain E&O coverage, to be appropriate. Council ordered the licensee to pay a \$2,000 fine, complete the Council Rules Course and Continuing Education Requirements and Guidelines Course, extend her new life agent supervision period for an additional six-month period, and be assessed investigation costs.
28. [Gina Digao Bool](#) (April 2024): concerned a life agent licensee who failed to obtain the required CE credits for three consecutive licence periods and failed to maintain E&O insurance for 268 calendar days or notify Council that her E&O insurance had lapsed. The licensee did not conduct any insurance business during the lapse period and did not have authority to represent at least one insurer. The licensee was fined \$4,000, representing \$1,000 for each licence period she failed to obtain required CE

and an additional \$1,000 for failing to maintain E&O insurance. The licensee was assessed investigation costs and was required to complete the outstanding CE credits and the Council Rules Course.

29. [Xiao Yan \(Ceila\) Xu](#) (May 2024): involved a life agent licensee who failed to obtain the required CE credits for two consecutive licence periods, did not maintain the required E&O insurance for a period of time or notify Council that her E&O insurance had lapsed. The licensee completed all the outstanding CE credits and showed remorse for her failure to complete the credits. This case stands as a precedent case for CE files where the mitigating factors and voluntary corrective action outweigh the aggravating factors. Given the licensee's efforts to self-correct and complete all outstanding continuing education credits, Council ordered that the licensee be assessed a fine of \$500 for each licence period in which she did not meet the CE requirements. Council also found it appropriate for the licensee to pay a \$1,000 fine for failing to maintain E&O insurance. Council ordered the licensee to pay a total fine of \$2,000, to complete the Council Rules Course and Continuing Education Requirements and Guidelines Course, and to pay investigation costs.
30. After reviewing the precedent cases, Council determined that the \$500 fine noted in [Xiao Yan \(Ceila\) Xu](#) was appropriate in this circumstance. Council recognized that none of the precedent cases involved a licensee voluntarily disclosing inadequate E&O insurance coverage and that this case would stand as a new precedent.

MITIGATING AND AGGRAVATING FACTORS

31. Council considered several mitigating factors and did not identify any aggravating factors. Mitigating factors included that the Licensee co-operated with Council's investigation and appeared to be remorseful. Although he was abroad for an extended period of time, he made an effort to complete CE credits when he returned. The Licensee met the required CE credits for licence periods outside of the audit period, which reflects his understanding and commitment to comply with Council's Rules. There was no evidence of harm to the public because the Licensee did not conduct any insurance activities when he lacked E&O insurance coverage. Council also determined that a significant mitigating factor was the Licensee's self-disclosure to Council that he no longer held E&O insurance after his contract with the Insurer ended.

CONCLUSIONS

32. After weighing all of the relevant considerations, Council found the Licensee to be in breach of several sections of the Council Rules and the Code of Conduct.
33. Although Council found the Licensee to be credible, it thought he demonstrated minimal effort in attempting to locate copies of the CE certificates he had completed. Although the Licensee contacted the Insurer in an attempt to locate the certificates, he did not make an effort to locate them from the other course providers.

34. Council felt the Licensee may not have understood the seriousness of the matter and the importance of CE for insurance professionals. To support the Licensee, it felt that the Licensee would benefit from taking the Council Rules Course and the Continuing Education Requirements & Guidelines Course.
35. Since the Licensee was unable to demonstrate that he met the CE requirements for the 2020/2021 and 2022/2023 licence periods, Council determined it is appropriate to impose a \$500 fine for each licence period in which the CE credits were not met. This amount is consistent with the fine imposed in Council's precedent CE cases where the mitigating factors outweigh the aggravating factors. Council ultimately concluded that the Licensee pay a total of \$1,000 for the years in which he had a CE shortfall.
36. Council determined the Licensee failed to inform them within five business days that he no longer had E&O insurance coverage but acknowledged that his voluntary self-disclosure to Council and absence of conducting insurance activities during this period served as significant mitigating factors. Council determined a departure from a \$1,000 fine for an E&O breach is appropriate and concluded that the Licensee be fined \$500 for his failure to inform Council of the E&O issue within five business days.
37. Council felt it is appropriate for the Licensee to complete the remaining outstanding CE credits for the 2020/2021 and 2022/2023 licence periods.
38. With respect to investigation costs, Council intends to assess these costs to the Licensee. As a self-funded regulatory body, Council looks to licensees who have engaged in misconduct to bear the costs of their disciplinary 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

39. Pursuant to sections 231 and 241.1 of the Act, Council made an intended decision that:
 - a. The Licensee be fined \$1,500, to be paid within 90 days of Council's order;
 - b. The Licensee be required to complete the following courses, or equivalent courses as acceptable to Council, within 90 days of Council's order:
 - i. The Council Rules Course for Life and/or Accident & Sickness Agents;
 - ii. Continuing Education Requirements & Guidelines Course (collectively, the "Courses");
 - c. The Licensee be assessed Council's investigation costs in the amount of \$1,250, to be paid within 90 days of Council's order; and

- d. The Licensee be required to complete the outstanding 19 continuing education credits within 90 days of Council's order;
 - e. A condition be imposed on the Licensee's life and accident and sickness insurance agent licence that failure to pay the fine and investigation costs, complete the Courses and outstanding continuing education credits within 90 days of the date of Council's order will result in the automatic suspension of the Licensee's licence and that the Licensee will not be permitted to complete his 2027 annual licence renewal until such time as he has complied with the conditions listed herein.
40. 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

41. 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.

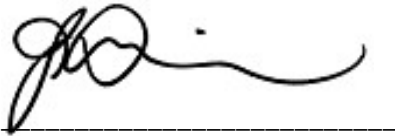
RIGHT TO A HEARING

42. 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.**
43. 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>.

Intended Decision
Tongjun Liu
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Dated in Vancouver, British Columbia, on the **10th day of February, 2026.**

For the Insurance Council of British Columbia

A handwritten signature in black ink, appearing to read 'Janet Sinclair', written over a horizontal line.

Janet Sinclair
Executive Director