

**IN THE MATTER OF THE *FINANCIAL INSTITUTIONS ACT***  
**(RSBC 1996, c.141)**  
(the "Act")

and the

**INSURANCE COUNCIL OF BRITISH COLUMBIA**  
("Council")

and

**Xueping Ji**  
(the "Licensee")

**ORDER**

As Council made an intended decision on January 14, 2020, pursuant to sections 231 and 236 of the Act; and

As Council, in accordance with section 237 of the Act, provided the Licensee with written reasons and notice of the intended decision dated February 13, 2020; and

As the Licensee did not request a hearing of Council's intended decision within the time period provided by the Act;

Under authority of sections 231 and 236 of the Act, Council orders that:

1. The Licensee is fined \$1,000 for each the three licence years (2015, 2016, and 2017) in which she failed to meet her continuing education requirements, for a total fine of \$3,000;
2. The Licensee is required to complete the Council Rules Course, available through Advocis; and
3. A condition is imposed on the Licensee's life and accident and sickness insurance agent licence that failure to pay the fine and complete the Council Rules Course by June 10, 2020 will result in the automatic suspension of her licence, and she will not be permitted to complete her annual filing until the fine is paid in full and the Council Rules Course has been completed.

This order takes effect on the **12<sup>th</sup> day of March, 2020.**



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Janet Sinclair, Executive Director  
Insurance Council of British Columbia

## **INTENDED DECISION**

**of the**

**INSURANCE COUNCIL OF BRITISH COLUMBIA**  
(“Council”)

**respecting**

**XUEPING JI**  
(the “Licensee”)

Pursuant to section 232 of the *Financial Institutions Act* (the “Act”), Council conducted an investigation to determine whether the Licensee acted in compliance with the requirements of the Act, Council Rules, and Code of Conduct, and in particular whether the Licensee breached Council Rule 7(5) by failing to complete a sufficient number of continuing education (“CE”) credits in the 2015, 2016, and 2017 licence years.

As part of Council’s investigation, on October 22, 2019, a Review Committee (the “Committee”) met to discuss the alleged CE shortage. The Licensee was invited to participate at the meeting but chose to not attend. Prior to the meeting, an investigation report prepared by Council staff was distributed to the Committee for review and to the Licensee for review and response. A discussion of the investigation report and submissions provided by the Licensee took place at the meeting. Having reviewed the materials and discussed the matter, the Committee prepared a report for Council.

The Committee’s report, along with the aforementioned investigation report, were reviewed by Council at its January 14, 2020 meeting, where it was determined the matter should be disposed of in the manner set out below.

### **PROCESS**

Pursuant to section 237 of the Act, Council must provide written notice to the Licensee of the action it intends to take under sections 231 and 236 of the Act before taking any such action. The Licensee may then accept Council’s decision or request a formal hearing. This intended decision operates as written notice of the action Council intends to take against the Licensee.

### **FACTS**

The Licensee has held an active life and accident and sickness insurance agent (“Life Agent”) licence since April 2015.

On March 6, 2018, Council staff initiated a random audit of the Licensee's CE records for the 2015, 2016, and 2017 licence years. The Licensee failed to respond to the initial audit notice, and Council staff proceeded to issue a final notice on April 4, 2018. On April 19, 2018, Council staff succeeded in contacting the Licensee by telephone, at which time the Licensee explained that her address information had changed.

The Licensee subsequently provided her CE records to Council, which showed that she had fallen short of meeting her required number of CE credits in 2015 (completing zero out of a required 15 credits), 2016 (completing 8.5 out of a required 15 credits), and 2017 (completing one out of a required 15 credits). The Licensee also provided Council with CE documents for 2018, which showed that she had fulfilled her credit requirements for that year. She has since completed make-up credits to compensate for her CE shortages in 2015, 2016, and 2017.

The Licensee provided a written statement to Council in which she explained that she had been working as an office assistant when she first became licensed in 2015, and did not realize she had a responsibility to complete CE. The Licensee further reported that she had been experiencing personal issues throughout 2017 that had affected her professional life.

#### **ANALYSIS**

Council determined that the Licensee's failure to complete her required number of CE credits in three successive years was a clear breach of Council Rule 7(5), which requires that licensees "must meet the requirements of the continuing education program established by Council, as amended from time to time."

Council was also concerned about how the Licensee had held a Life Agent licence for a significant period of time without being aware of the accompanying CE responsibilities. Council's opinion was that the Licensee's ignorance of her responsibilities as a licensee, particularly in the context of her first year holding a licence, might serve as an indication that she was receiving an inadequate level of supervision at that stage in her career.

In determining a disposition in this matter, five previous cases involving licensees who failed to complete their CE requirements were reviewed and considered by Council.

*Jagjit Singh Gill* (April 2018) concerned a licensee with a Life Agent licence who was subject to a CE audit. The results of the audit indicated that he had failed to complete his CE requirements in four separate years. The licensee was fined \$1,000 for each year in which he fell short on CE credits, for a total of \$4,000. He was also required to make up his missing CE credits and to complete the Council Rules Course.

*Annie Chu* (May 2018) concerned a licensee who held both a Life Agent licence and a Level 1 general insurance salesperson (“Salesperson”) licence. The licensee was subject to a CE audit, which found that she had not completed her CE requirements in two separate years. For 2014, the licensee was short on credits for both her Life Agent and Salesperson licences, while for 2016, she was short on credits for her Salesperson licence only. The licensee was fined \$2,000 for her failure to complete the CE requirements for either of her two licences in 2014, as well as an additional \$1,000 for not completing the CE requirements for her Salesperson licence in 2016, for a total of \$3,000. She was also required to make up her missing CE credits and to complete the Council Rules Course.

*Sukhdarshan Singh Mann* (May 2018) concerned a licensee with a Life Agent licence who was subject to a CE audit. The results of the audit indicated that he had failed to complete his CE requirements in two separate years. The licensee was fined \$1,000 for each year in which he fell short on CE credits, for a total of \$2,000. He was also required to make up his missing CE credits and to complete the Council Rules Course.

*Evelyn Yap Wong* (August 2018) concerned a licensee with a Life Agent licence that had been inactive since 2011 who was subject to a CE audit. The results of the audit indicated that she had failed to complete her CE requirements in five separate years, as a result of not knowing that CE is still required when a licence is inactive. The licensee was fined \$1,000 for each year in which she fell short on CE credits, for a total of \$5,000. The licensee’s licence was also suspended for a one year period, with a requirement that she complete make-up courses for her missing CE credits, complete the Council Rules Course, and retake the Life Licence Qualification Program and qualifying exam within the one year period or else her licence would be cancelled. Further, the licensee was required to be supervised for a two-year period of active licensing.

*Cameron Alexander Fortin* (October 2019) concerned a licensee with a Life Agent licence who contacted Council to advise that he had fallen short on CE credits due to his misunderstanding about how many credits he was required to complete per year. Council initiated a CE audit which found that the licensee had fallen short on CE credits for three separate years. The licensee was fined \$500 for each year in which he fell short on CE, for a total of \$1,500. Council considered it to be a significant mitigating factor that the licensee had proactively contacted Council as soon as he realized his error. The fact that the licensee quickly began to make up for his missing credits was an additional mitigating factor.

Overall, the precedents establish that it is Council’s usual practice to fine licensees \$1,000 for each year in which they fail to complete their required number of CE credits. In certain

scenarios, such as the *Fortin* case, that amount can be lowered if strong mitigating circumstances come into play.

Council did not consider that, in the present case, there were mitigating or aggravating factors significant enough to justify a disciplinary penalty different than the standard \$1,000 fine for each year in which CE requirements were not met. The Licensee's lack of knowledge about her CE responsibilities was not considered by Council to affect her culpability. Further, although Council accepts that personal matters affected the Licensee throughout 2017, and recognizes that the Licensee has since completed make-up credits to address her CE shortfall, Council determined that this did not justify neglect of the Licensee's professional obligations.

#### **INTENDED DECISION**

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

1. Fine the Licensee \$1,000 for each year in which she failed to meet her CE requirements, for a total of \$3,000;
2. Require the Licensee to complete the Council Rules Course, available through Advocis; and
3. Impose a condition on the Licensee's Life Agent licence that failure to pay the fine and complete the Council Rules Course within 90 days of Council's order will result in the automatic suspension of her licence, and she will not be permitted to complete her annual filing until the fine is paid in full and the Council Rules Course has been completed.

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.

#### **RIGHT TO A HEARING**

If the Licensee wishes to dispute Council's findings or its intended decision, the Licensee may have legal representation and present a case at a hearing before Council. Pursuant to section 237(3) of the Act, to require Council to hold a hearing, the Licensee must give notice to Council by delivering to its office written notice of this intention **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 fourteen**

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**(14) days of receiving this intended decision**, the intended decision of Council will take effect.

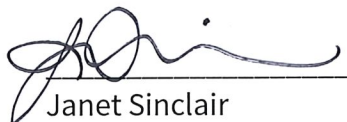
Even if this decision is accepted by the Licensee, pursuant to section 242(3) of the Act, the British Columbia Financial Services Authority (“BCFSA”) still has a right to appeal this decision of Council to the Financial Services Tribunal (“FST”). The BCFSA has 30 days to file a Notice of Appeal, once Council’s decision takes effect. For more information respecting appeals to the FST, please visit their website at [fst.gov.bc.ca](http://fst.gov.bc.ca) or contact them directly at:

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

Reception: 250-387-3464  
Fax: 250-356-9923  
Email: [FinancialServicesTribunal@gov.bc.ca](mailto:FinancialServicesTribunal@gov.bc.ca)

Dated in Vancouver, British Columbia, on the **13th day of February, 2020**.

For the Insurance Council of British Columbia

  
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Janet Sinclair  
Executive Director