

In the Matter of

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

and

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

and

**YIK LUN HUI
(the “Licensee”)**

ORDER

As Council made an intended decision on May 17, 2011, pursuant to sections 231, 236 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 June 27, 2011; 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, 236 and 241.1 of the Act, Council orders:

1. the Licensee’s general insurance agent’s licence is cancelled for a minimum period of two years from the date on which the Order takes effect;
2. the Licensee is prohibited from holding a Level 3 general insurance agent’s licence should he become re-licensed, until he has obtained a minimum five continuous years of active, licensed experience;
3. a condition be imposed on any insurance licence held by the Licensee in the future, requiring him to notify any employer of this decision for a period of five years;
4. the Licensee is fined \$10,000.00;
5. the Licensee is assessed Council’s investigative costs of \$700.00; and

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6. as a condition of this Order, the Licensee is required to pay the fine and investigative costs no later than **October 26, 2011**. If the Licensee does not pay the fine and investigative costs in full by this date, the Licensee's general insurance licence will remain cancelled and the Licensee will not be permitted to complete any annual filing until such time as the fine and investigative costs are paid in full.

This Order takes effect on the **26th day of July, 2011**.



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

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA ("Council")

respecting

**YIK LUN HUI
(the "Licensee")**

INTRODUCTION

Pursuant to section 232 of the *Financial Institutions Act* (the "Act"), Council conducted an investigation to determine whether there had been compliance by the Licensee with the requirements of the Act.

The Licensee, who was the nominee of a general insurance agency, Roadways Insurance Agencies Ltd. (the "Agency"), attended an Investigative Review Committee ("IRC") meeting on February 14, 2011, with one of the Agency's owners. The IRC was held to review a number of incidents of non-compliance with the Act that occurred at the Agency while the Licensee was its nominee. Specifically, the allegations were:

1. a former owner of the Agency, who was also a Level 1 general insurance salesperson ("Salesperson"), inappropriately accessed the Insurance Corporation of British Columbia's ("ICBC") database and also attempted to bribe an ICBC employee to obtain confidential information;
2. another Salesperson at the Agency misappropriated ICBC premium payments from clients, while employed at a different agency. Despite the Licensee's knowledge of concerns with the Salesperson's handling of premiums, the Licensee did not take any steps to prevent the Salesperson from engaging in similar conduct while employed at the Agency;
3. the Agency's errors and omissions ("E&O") insurance did not meet the requirements as set out in Council Rules; and
4. while under new ownership, a new Agency owner, who was also a Level 2 general insurance agent ("Level 2 Agent"), inappropriately accessed ICBC's database, obtained confidential information about a third person and provided it to another individual at that individual's request.

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Subsequent to the IRC meeting, additional allegations arose with respect to the Licensee's conduct. In particular, it was alleged the Licensee processed a transfer of vehicle ownership for a client ("Client A") into the name of another person ("Client B"), without Client B present. Client A purportedly signed the transactional documents as Client B. Further, the Licensee is alleged to have facilitated vehicle insurance for Client A in the name of Client B, again without Client B in attendance and with Client B's signature reportedly being forged by Client A with the Licensee's knowledge. The transactions were allegedly intended to assist Client A to avoid an outstanding debt to ICBC. During a preliminary review of the matter, the Licensee did not dispute the allegations.

The additional allegations were presented to Council at its March 15, 2011 meeting. Council determined that further investigation was required in order to determine the scope of the Licensee's misconduct and his overall suitability to hold a licence. In the meantime, Council found that it was in the public's interest to suspend his licence pending the outcome of the investigation. Accordingly, Council suspended the Licensee's licence effective March 15, 2011, pursuant to section 238 of the Act.

Further investigation of the Licensee was conducted and a final investigation report was presented to Council at its May 17, 2011 meeting. At the conclusion of its meeting, Council determined the matter should be disposed of in the manner set out below.

INTENDED DECISION 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, 236 and/or 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

Based on the information contained in the investigation report, Council made the following findings of fact:

Background Information:

1. the Licensee was first licensed with Council on October 18, 2002, as a Level 2 Agent;
2. the Licensee became the nominee of the Agency in January 2008;

Transactions for Client A and Client B:

3. the Licensee was first introduced to Client A and Client B (collectively known as the "Clients") in or around 2004 or 2005, when the Licensee insured Client A's black Honda Prelude ("Prelude");
4. in 2006 or 2007, Client A was unable to make his monthly ICBC Autoplan 12 payments, which led ICBC to cancel Client A's optional coverage;
5. Client A went to the Licensee to renew the insurance for his Prelude. When the Licensee attempted to renew the insurance for Client A, information pertaining to his debt with ICBC was displayed on the screen of the ICBC database. Client A did not renew his insurance at that time, as he was unable to pay his debt;
6. the Licensee reported that he did not see Client A for a period of two and a half years after this visit. The Licensee believed that the Clients were in Japan for much of this time;
7. around May or June 2010, Client A called the Licensee on the Licensee's cellular phone. Client A advised the Licensee that he was going to purchase a blue Honda Accord ("Accord"), and required insurance for it;
8. when the Licensee looked up information on Client A in ICBC's extranet, he saw that Client A owed a debt to ICBC of approximately \$9,000.00;
9. the Licensee reported that he advised Client A to contact ICBC to work out a repayment of the debt, and repeated this message on numerous occasions throughout the material time;
10. Client A called the Licensee a few days later and asked if he would be able to register and insure the Accord under Client B's name. The Licensee advised Client A that in order to do this, he would need Client B's authorization;
11. subsequently, Client B called the Licensee on his cellular phone and stated that it was not a problem to use her name as the registered owner and principal driver on the Accord;
12. the Licensee submitted that Client A had informed him that Client B was in Japan at the time of this phone call, but would be returning to Canada soon;
13. on June 1, 2010, the Licensee personally provided a temporary operating permit ("TOP") and a transfer of registration for the Accord to Client A on site at the seller of the vehicle's address. Client B was not present.

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14. the documents were prepared in Client B's name. The "Seller to Complete" section of the transfer registration form had been completed. In the "Purchaser to Complete" section, the purchaser's name and residential address had already been completed and the signature of purchaser (Client B) had already been signed. In addition, the purchase price had already been entered. The Licensee completed the "yes-no" questions pertaining to the "Social Service Tax Return" and he wrote the amount of the "Net Purchase Price" and the "Tax Payable";
15. the "Autoplan Agent to Complete" section was also completed by the Licensee. He stated the "Type of Identification" as being "BCID" and provided an identification number which belonged to Client B;
16. the Licensee did not physically sight Client B's identification during this particular transaction. He reported that a few years earlier he had conducted an insurance transaction for Client B and physically sighted her BCID at that time. The Licensee also advised that during his phone conversation with her a few days earlier, Client B had verbally told him the number. He then double checked the number by looking up what he had in his records;
17. ICBC requires customers to prove their identity by producing primary and secondary identification before a transfer of registered ownership of a vehicle and TOP can be processed;
18. the Licensee stated that he witnessed Client A sign the "Signature of Applicant" section of the TOP as Client B, but did not think of this as forgery as he had obtained verbal authorization from Client B;
19. a few days later, Client A called the Licensee in order to obtain automobile insurance on the Accord for the period of June 4, 2010 to December 3, 2010. The Licensee submitted that he witnessed Client A sign both sections of "Owner's Signature(s)" as Client B on this document;
20. in December 2010, Client A again called the Licensee. On this occasion, Client A wished to purchase a TOP for the date of December 4, 2010, as the AirCare on the Accord had expired. The Licensee saw Client A sign Client B's name under the "Signature of Applicant" section of the TOP;
21. the Licensee stated that in December 2010, Client B called him and asked him to place another six months of insurance on the Accord and that she would be coming in January 2011;

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22. the next day, Client A called the Licensee and advised that the Accord had passed AirCare. They made arrangements for the Accord to receive insurance for the time period of December 5, 2010 to June 4, 2011. According to the Licensee, he witnessed Client A sign both sections of the document that state "Owner's Signature(s)" in Client B's name;
23. on April 6, 2011, Council staff spoke with an individual who purported to be Client A. He reported that he returned from Japan approximately one year ago and that Client B returned from Japan approximately three to four months ago. He reported that at the time of the insurance transactions, he felt that he would not be able to get insurance because of his debt to ICBC. Client A stated that he asked the Licensee if he could insure the Accord in Client B's name. The Licensee informed him that this would be fine, provided that Client B's permission was obtained. Client A asked Client B to call the Licensee. Client A advised that he signed for Client B on the insurance transactions in question;

Allegations of Non-compliance at the Agency:

Ewen Ruth Fang ("Fang")

24. while an owner of the Agency and licensed as a Salesperson, Fang allegedly accessed ICBC's database for an improper purpose and attempted to bribe an ICBC employee to obtain information from this database;

Ka Chun Chan ("Chan")

25. Chan, while employed as a Salesperson at a different insurance agency, took ICBC premium payments from six clients and used the money for his own purpose. To conceal his activities, he replaced the premiums he had taken with personal cheques, which later bounced when ICBC tried to cash them. This resulted in clients receiving premium payment request letters from ICBC, cancellation of certain insurance coverage, and in one situation, a client's licence plate being repossessed by ICBC;
26. subsequent to his employment with the above mentioned insurance agency, Chan became authorized to represent the Agency as a Salesperson. On July 6, 2009, during Council's investigation of Chan's conduct, Council staff interviewed the Licensee and asked if Chan had informed him of the reason for his departure from the previous agency. The Licensee reported that Chan had not. Council disclosed its concerns about Chan's conduct to the Licensee and recommended that Chan be subject to close supervision;

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27. the Licensee subsequently spoke with the Agency's owner at the time, Fang, who told him that she had contacted the previous agency which had employed Chan, and was advised that there were no concerns with his conduct;
28. after the Licensee was warned about Chan on July 6, 2009, four ICBC transactions occurred where Chan, on behalf of the Agency, arranged ICBC premium financing on his clients' insurance such that monthly premium payments could be withdrawn from his personal account. Chan supplied personal counter cheques that do not indicate he is the accountholder, ostensibly to facilitate his use of the client premium payments for his own purpose;
29. these cheques were received by the Licensee, as the Agency's batcher. The Licensee was aware that ICBC did not accept counter cheques from clients. He nonetheless accepted an explanation from Chan that on one occasion, a counter cheque would be replaced with a regular cheque at a later date as the client in question was Chan's friend;
30. Council staff had a follow up discussion with the Licensee about Chan's conduct on October 9, 2009. At that time, the Licensee advised that Chan had told him the problems at his previous employer had to do with a misunderstanding about premium payments and that it was not a big deal. The Licensee trusted Chan's response and did not pursue the matter further. Following this October 9, 2009 discussion between Council staff and the Licensee, Chan completed two more ICBC transactions of an improper nature, similar to those outlined above;

The Agency's E&O Insurance

31. on December 1, 2009, Council staff attended the Agency to conduct an audit, and obtained a copy of the Agency's E&O insurance policy;
32. the E&O insurance policy had an aggregate limit of liability of only \$1,000,000.00, contrary to Rule 7(11) of Council Rules which requires a licensee to maintain a minimum aggregate limit of E&O insurance of at least \$2,000,000.00;
33. the Licensee reported that Fang had obtained the policy and assured him that the Agency had sufficient coverage. Once he learned of the discrepancy, he corrected it. Council obtained a copy of the Agency's new E&O insurance policy which illustrated a \$2,000,000.00 aggregate limit;

Jaswinder Singh Gill ("Gill")

34. Gill became a co-owner of the Agency on or around January 29, 2010;

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35. on April 2, 2010, a client of the Agency telephoned Gill and requested the residential address associated with a certain licence plate number. The client advised Gill that he wanted to confirm the address of the person who owned the vehicle as he wanted to place a lien on the vehicle;
36. Gill accessed the ICBC extranet database for the licence plate, obtained the owner's address from the database, and confirmed the address for the client; and
37. Gill admitted to the misconduct.

LEGISLATION

Rule 3 of the Council Rules

Licence Applications

Applicants to Satisfy Council

- (2) If an applicant satisfies Council that the applicant:
 - (a) has met all of the requirements set out in the Act and Council Rules;
 - (b) is trustworthy, competent and financially reliable;
 - (c) intends to publicly carry on business as an insurance agent, salesperson or adjuster in good faith and in accordance with the usual practice of the business of insurance;
 - (d) has not in any jurisdiction:
 - (i) been refused, or had suspended or cancelled, an insurance licence or registration;
 - (ii) been convicted of an offence; or
 - (iii) been refused or had suspended or cancelled a licence or registration in any other financial services sector or professional fieldfor a reason that reveals the applicant unfit to be an insurance agent, salesperson or adjuster;
and
 - (e) does not hold other business interests or activities which would be in conflict to the duties and responsibilities of a licensee, or give rise to the reasonable possibility of undue influence.then the Council may consent to issuing a licence.

Section 231 of the Act

Part 7 – Administration of the Regulation of Financial Institutions

Division 2 – Insurance Council of British Columbia

Council may suspend, cancel or restrict licences and impose fines

- (1) If, after due investigation, the council determines that the licensee or former licensee or any officer, director, employee, controlling shareholder, partner or nominee of the licensee or former licensee
 - (a) no longer meets a licensing requirement established by a rule made by the council or did not meet that requirement at the time the licence was issued, or at a later time,
 - (b) has breached or is in breach of a term, condition or restriction of the licence of the licensee,

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- (c) has made a material misstatement in the application for the licence of the licensee or in reply to an inquiry addressed under this Act to the licensee,
- (d) has refused or neglected to make a prompt reply to an inquiry addressed to the licensee under this Act,
- (e) has contravened section 79, 94 or 177, or
- (e.1) has contravened a prescribed provision of the regulations,

then the council by order may do one or more of the following:

- (f) reprimand the licensee or former licensee;
- (g) suspend or cancel the licence of the licensee;
- (h) attach conditions to the licence of the licensee or amend any conditions attached to the licence;
- (i) in appropriate circumstances, amend the licence of the licensee by deleting the name of a nominee;
- (j) require the licensee or former licensee to cease any specified activity related to the conduct of insurance business or to carry out any specified activity related to the conduct of insurance business;
- (k) in respect of conduct described in paragraph (a), (b), (c), (d), (e), or (e.1), fine the licensee or former licensee an amount
 - (i) not more than \$20 000 in the case of a corporation, or
 - (ii) not more than \$10 000 in the case of an individual.

- (2) A person whose licence is suspended or cancelled under this section must surrender the licence to the council immediately.
- (3) If the council makes an order under subsection (1)(g) to suspend or cancel the licence of an insurance agent, or insurance adjuster, then the licences of any insurance salesperson employed by the insurance agent, and of any employees of the insurance adjuster are suspended without the necessity of the council taking any action.
- (3.1) On application of the person whose licence is suspended under subsection (1)(g), the council may reinstate the licence if the deficiency that resulted in the suspension is remedied.
- (4) If an insurance agent's licence or an insurance adjuster's licence is reinstated, the licences of any insurance salespersons or employees of the insurance adjuster who
 - (a) were employed by that agent or adjuster at the time of the suspension, and
 - (b) remain employees of that agent or adjuster at the time of reinstatement, are also reinstated without the necessity of the council taking any action.

Section 236 of the Act

Part 7 – Administration of the Regulation of Financial Institutions

Division 2 – Insurance Council of British Columbia

Power to impose conditions

- (1) The commission, superintendent or council, depending on which of them has the power to make the order, give the consent or issue the business authorization permit or licence may
 - (a) impose conditions that the person considers necessary or desirable in respect of
 - (i) an order referred to in section 235(1),
 - (ii) a consent referred to in section 235(2),
 - (iii) a business authorization,
 - (iv) a permit issued under section 187(1), or
 - (v) a licence issued under Division 2 of Part 6, and

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- (b) remove or vary the conditions by own motion or on the application of a person affected by the order or consent, or of the holder of the business authorization, permit or licence.
- (2) A condition imposed under subsection (1) is conclusively deemed to be part of the order, consent, business authorization, permit or licence in respect of which it is imposed, whether contained in or attached to it or contained in a separate document.
- (3) Except
 - (a) on the written application or with the written permission of the holder, or
 - (b) in the circumstances described in section 164, 231 or 249(1),
a power of the commission, superintendent or council under this Act to impose or vary conditions in respect of
 - (c) a business authorization is exercisable only on or before its issue date, or
 - (d) a permit under section 187(1) or a licence under Division 2 of Part 6 is exercisable only on or before its issue date
with effect on and after that date.

Section 241.1 of the Act

Part 7 – Administration of the Regulation of Financial Institutions

Division 2 – Insurance Council of British Columbia

Assessment of Costs

- (1) If an order results from an investigation or hearing, the commission, the superintendent or the council may by order require the financial institution, licensee, former licensee or other person subject to the order to pay the costs, or part of the costs, or either or both of the following in accordance with the regulations:
 - (a) an investigation;
 - (b) a hearing.
- (2) Costs assessed under subsection (1)
 - (a) must no exceed the actual costs incurred by the commission, superintendent or council for the investigation and hearing, and
 - (b) may include the costs of remuneration for employees, officers or agents of the commission, superintendent or council who are engaged in the investigation or hearing.
- (3) If a person fails to pay costs as ordered by the date specified in the order or by the date specified in the order made on appeal, if any, whichever is later, the commission, superintendent or council, as the case may be, may file with the court a certified copy of the order assessing the costs and, on being filed, the order has the same force and effect and all proceedings may be taken on the order as if it were a judgment of the court.

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ANALYSIS

Council found the above mentioned facts constituted a breach of section 231(b) of the Act in that the Licensee failed to act in a trustworthy manner, in good faith, and in accordance with the usual practice of the business of insurance.

The Licensee was the nominee of the Agency while several incidents of misconduct occurred over the course of a few years. The misconduct included: inappropriate access of confidential consumer information on two occasions and an attempt to bribe an ICBC employee; a failure by the Agency to maintain the required amount of E&O insurance; repeated mishandling of insurance premiums by an Agency employee for the employee's personal benefit and to the potential detriment of consumers; and the improper transfer and placement of insurance on a vehicle to help a client avoid an outstanding debt to ICBC. Notably, the Licensee was directly involved in the last incident of misconduct cited.

These incidents of misconduct were recently considered by Council in relation to the Agency's conduct and it was determined that a culture of impropriety existed at the Agency which had been allowed to perpetuate through some of its owners as well as the Licensee, in his role as the Agency's nominee.

In reviewing the extent of the Licensee's accountability and responsibility for these incidents, Council acknowledged that as an employee, he may have been beholden to the Agency's owners, who helped to perpetuate some of the problems. However, Council was clear in its finding that the Licensee had an obligation as a nominee to ensure there was adequate supervision at the Agency and that the Agency, through the conduct of its representatives, was in compliance with any requirements.

However, despite his awareness of Council's concerns with the Agency, the Licensee made the choice to ignore them and ultimately eschewed his responsibilities as a nominee. He further exacerbated the problems by engaging in his own transgressions, which he carried out while the Agency was under investigation. To Council, this demonstrated a complete and intentional lack of regard of the requirements incumbent upon him as both a nominee and as a licensed representative of the Agency. As a result, Council found the Licensee to be untrustworthy and unable to carry on the business of insurance in good faith and in accordance with the usual practice of the business of insurance. Moreover, allowing the Licensee to maintain his insurance licence or to continue being in a supervisory position, would be a risk to the public in Council's opinion.

A number of previous decisions were considered by Council in determining the appropriate action to take against the Licensee. These included *M. Tsui, Apex Insurance Services Ltd. et al.* ("*Apex*"), *B. Takhar and Accost Insurance and Financial Centre Inc.* ("*Accost*").

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In *M. Tsui*, the licensee intentionally misstated the principal operator of her vehicle on five occasions between February 2001 and July 2005, in order to avoid paying higher automobile premiums as a result of an at-fault accident in 1999. Council suspended her Level 2 Agent's licence for three months and downgraded the licence to a Salesperson's licence for a further period of twelve months. Council also fined the licensee \$5,000.00 and required her to pay the costs of Council's investigation.

In *B. Takhar*, the Salesperson was found to have abused his position as an insurance licensee by processing an excessive number of Autoplan transactions on his own and his wife's vehicles for the purpose of saving on insurance premiums, as well as to generate extra commissions. The licensee also falsely executed insurance documents by signing on behalf of his wife without proper authorization. In carrying out this conduct, the licensee failed to act in a trustworthy manner, in good faith and in accordance with the usual practice of the business of insurance. Council ordered that his licence be cancelled for a minimum period of one year, he be fined \$5,000.00, and he be required to pay a portion of the costs of Council's investigation.

In *Apex*, the agency and its licensees processed Autoplan transactions on their own vehicles and, in some cases, the vehicles of other family members primarily for the purpose of generating commissions and fees. The agency nominee allowed some of the Autoplan transactions to be processed at the agency's office where she held the position of nominee. Council determined that the nominee failed to meet her supervisory requirements and held that the agency, the nominee and its licensees failed to act in a trustworthy and competent manner, in good faith and in accordance with the usual practice of the business of insurance. As a result, among other concerns, the nominee's licence was downgraded for a minimum period of two years to a Level 2 Agent's licence and the agency was fined \$20,000.00.

In *Accost*, the agency entered into a Settlement Agreement with ICBC after its owners were found to have engaged in two material breaches of the agency's ICBC Autoplan Agency Agreement. The breaches involved improper issuance and avoidance of TOPs and inappropriate access of ICBC's database. Council determined there was a culture of unethical practices at the agency and, as a result, the agency was fined \$20,000.00 and was responsible for Council's costs with respect to the investigation and hearing. Related to this decision is the *R. Atwal* decision. The licensee in that case was the nominee of the agency at the material time and, while she was beholden to some extent to the owners of the agency, she had disregarded some of her duties as an agency nominee. She demonstrated otherwise a competent performance as a nominee prior to and after working for this particular insurance agency, and she had not been made aware of the ongoing problems at the time they transpired. She was fined \$5,000.00 for failing to fulfil her responsibilities.

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Council considered that each of the previous decisions involved issues of trustworthiness varying from manipulating transactions for personal benefit, to instances of complete disregard of a licensee's duties and responsibilities. While there were some similarities between these previous matters and the current situation, Council found the Licensee's misconduct to be as or more serious than any of those cited, particularly given the multitude of issues and his flagrant disregard of the responsibilities incumbent upon him in his role at the Agency.

As a result, Council determined that a number of measures were necessary against the Licensee to protect the public, and to also address the principles of deterrence and punishment. With regard to deterrence, Council noted that any action against the Licensee should be significant enough to demonstrate that Council will not tolerate wilful and flagrant disregard of the regulatory requirements.

INTENDED DECISION

Pursuant to sections 231, 236 and 241.1 of the Act, Council made an intended decision to:

1. cancel the Licensee's general insurance licence for a minimum period of two years;
2. prohibit the Licensee from holding a Level 3 general insurance agent's licence should he become re-licensed, until he has obtained a minimum five continuous years of active, licensed experience;
3. require that a condition be imposed on any licence held by the Licensee in the future, which would direct him to notify any employer of this decision for a period of five years;
4. fine the Licensee \$10,000.00; and
5. assess the Licensee Council's investigative costs of \$700.00.

The Licensee is advised that should the intended decision become final, the fine and the investigative costs, which will form part of the Order, will be due and payable within 90 days of the date of the Order.

The intended decision will take effect on **July 26, 2011**, subject to the Licensee's right to request a hearing before Council pursuant to section 237 of the Act.

RIGHT TO A HEARING

If the Licensee wishes to dispute Council's findings or its intended decision, the Licensee may have legal representation and present a case at a hearing before Council. Pursuant to section 237(3) of the Act, to require Council to hold a hearing, the Licensee must give notice to Council by delivering to its office written notice of this intention by **July 25, 2011**. A hearing will then be scheduled for a date within a reasonable period of time from receipt of the notice. Please direct written notice to the attention of the Executive Director.

If the Licensee does not request a hearing by **July 25, 2011**, the intended decision of Council will take effect.

Even if this decision is accepted by the Licensee, pursuant to section 242(3) of the Act, the Financial Institutions Commission still has a right to appeal this decision of Council to the Financial Services Tribunal ("FST"). The Financial Institutions Commission has 30 days to file a Notice of Appeal, once Council's decision takes effect. For more information respecting appeals to the FST, please visit their website at www.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

Dated in Vancouver, British Columbia, on the 27th day of June, 2011.

For the Insurance Council of British Columbia



Gerald D. Matier
Executive Director

GM/cc