In the Matter of the

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

and the

INSURANCE COUNCIL OF BRITISH COLUMBIA
("Council")

and

SUN KYUNG OH
(the "Licensee")

ORDER

As Council made an intended decision on May 8, 2018, 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 July 10, 2018; 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 Level 1 general insurance salesperson licence is cancelled with no opportunity to reapply for an insurance licence for a period of three years, commencing on **August 2, 2018** and ending at midnight on **August 1, 2021**; and
2. The Licensee is assessed Council's investigative costs of $1,000.00 which are due and payable no later than **October 31, 2018**.

This order takes effect on the **2nd day of August, 2018**.



Ken Kukkonen
Chairperson, Insurance Council of British Columbia

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA
("Council")

Respecting

SUN KYUNG OH
(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. The Licensee was notified of the investigation and provided an opportunity to make further submissions. The investigation report was reviewed by Council at its May 8, 2018 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 prior written notice to the Licensee of the action it intends to take under sections 231, 236, and 241.1 of the Act. 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 a Level 1 general insurance salesperson ("Salesperson") licence in British Columbia since February 2014. In October 2017, the Licensee was terminated by the agency she was authorized to represent (the "Agency") following the Licensee's acknowledgement that she misappropriated insurance premiums and funds belonging to the Agency (the "Funds"). The Licensee's licence with Council is currently inactive.

In October 2017, an insurer conducted a random audit of the Agency and identified that the Licensee was responsible for the non-remittance of approximately $8,000.00 in premiums. A subsequent review by the Agency determined that approximately $500.00 in additional funds were missing from the Agency.

The Licensee acknowledged she took the Funds without any authorization. The Licensee stated she required the Funds to pay for a relative's medical expenses and her intention was to repay the Agency. The Licensee provided the Agency with a full repayment of the Funds within two weeks of the Agency discovering the Funds were missing.

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ANALYSIS

Council determined that the Licensee's misconduct in taking the Funds was unacceptable and constituted a serious breach of the fundamental licensing requirements of trustworthiness and the intention to carry on the business of insurance in good faith. Council took into consideration that the Licensee accepted full responsibility for her actions, repaid the Funds, and acknowledged her conduct was inappropriate.

Council considered two previous cases in determining penalty. In the first case, the licensee was found unsuitable to hold an insurance licence for a minimum period of two years from the date on which restitution of the misappropriated insurance transactional funds was made. In the second case, the licensee was also found unsuitable to hold an insurance licence for a minimum period of two years after she misappropriated insurance premiums. In both cases, the licensees were assessed investigative costs.

When considering the Licensee's circumstances, Council found that although the Licensee immediately repaid the funds, a lengthy disqualification period is required to send a clear message to the industry and to reinforce to the public that Council will not tolerate this type of conduct under any circumstances.

INTENDED DECISION

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

1. Cancel the Licensee's Salesperson insurance licence with no opportunity to re-apply for an insurance licence for three years; and

2. Assess the Licensee Council's investigative costs of $1,000.00.

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

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

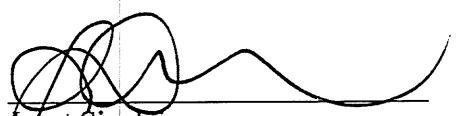
Even if this decision is accepted by the Licensee, pursuant to section 242(3) of the Act, the Financial Institutions Commission still has a right to appeal this decision of Council to the Financial Services Tribunal ("FST"). The Financial Institutions Commission has 30 days to file a Notice of Appeal,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

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

Reception: 250-387-3464
Fax: 250-356-9923
Email: FinancialServicesTribunal@gov.bc.ca

Dated in Vancouver, British Columbia, on the **10th day of July, 2018**.

For the Insurance Council of British Columbia



Janet Sinclair
Executive Director
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