

In the Matter of the

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

and the

INSURANCE COUNCIL OF BRITISH COLUMBIA
 (“Council”)

and

ALEX LOB YEE LAM
(the “Licensee”)

ORDER

As Council made an intended decision on March 11, 2025, 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 May 13, 2025; 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 that:

- 1) The Licensee is reprimanded;
- 2) The Licensee is required to complete the Insurance Brokers Association of British Columbia’s Errors and Omissions Prevention for New Brokers course (the “Course”), or an equivalent course as approved by Council, by September 15, 2025;
- 3) The Licensee is assessed Council’s investigation costs of \$1,137.50, to be paid by September 15, 2025; and

- 4) A condition is imposed on the Licensee's general insurance licence that failure to complete the Course and pay the investigation costs by their deadline will result in the automatic suspension of that licence and 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 **17th day of June, 2025.**



Janet Sinclair, Executive Director
Insurance Council of British Columbia

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA

(“Council”)

respecting

ALEX LOB YEE LAM

(the “Licensee”)

1. Pursuant to section 232 of the *Financial Institutions Act* (the “Act”), Council conducted an investigation to determine whether the Licensee had acted in compliance with the requirements of the Act, Council Rules, and Code of Conduct, in regard to an allegation that the Licensee had provided inaccurate advice to a client concerning a vehicle storage insurance policy. The Licensee had advised that theft of the vehicle would be covered if the vehicle was parked on a city street. This guidance was incorrect, and when the vehicle was later reported stolen, the claim was denied.
2. On November 20, 2024, as part of Council’s investigation, a Review Committee (the “Committee”) comprised of Council members met via video conference to discuss the investigation. The Licensee attended the meeting for an interview with the Committee alongside his manager (the “Manager”). An investigation report prepared by Council staff was distributed to the Licensee and Committee prior to the meeting. Having reviewed the investigation materials and discussed the investigation, the Committee prepared a report for Council.
3. The Committee’s report, along with the aforementioned investigation report, was reviewed by Council at its March 11, 2025, 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, 236, 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 became licensed with Council as a general insurance salesperson in 2013. He has been licensed as a general insurance agent since 2015.

6. In April 2024, Council received a complaint from a client of the Licensee (the “Complainant”) alleging that the Licensee had given her inaccurate advice regarding the coverage provided by her Insurance Corporation of British Columbia (“ICBC”) storage insurance policy.
7. In July 2023, the Complainant had contacted another licensee employed at the same agency as the Licensee (the “Other Licensee”). The Complainant told the Other Licensee that she was not using her vehicle and wanted to change the type of insurance for her upcoming renewal. The Other Licensee advised the Complainant that she could purchase storage insurance if she intended to park the vehicle on private property, or she could allow the insurance to lapse if she was storing the vehicle in a safe and secured lot.
8. In September 2023, the Complainant confirmed to the Licensee that she wanted to move forward with purchasing a storage policy. The Licensee was assisting the Complainant because the Other Licensee was on vacation at the time.
9. In October 2023, the Complainant’s partner asked the Licensee if the Complainant could park her vehicle on the street, and if ICBC would cover them if the vehicle was stolen. The Licensee confirmed that the vehicle could be parked on the street with the insurance documents on the dashboard, and it would be fully covered.
10. On January 8, 2024, the Complainant’s partner texted the Other Licensee to ask if the Complainant had coverage in the event that the vehicle was stolen. The Other Licensee confirmed that the vehicle was covered by storage insurance, which included theft coverage. The Complainant’s partner informed the Other Licensee that the vehicle had been parked on the street for the past three months but had just been discovered missing. The Other Licensee advised them to file a police report and contact ICBC. The Complainant reported the incident to ICBC and the police the next day.
11. In March 2024, ICBC sent the Complainant a denial letter, noting that the storage policy did not cover vehicles parked on public property. The Complainant subsequently contacted Council about the matter, alleging that improper advice had been received that led to her financial loss and distress.
12. Of the correspondence that was provided to Council in the course of the investigation, the clearest indication of inaccurate advice being given by the Licensee occurred in an email exchange on October 15, 2023. On that date, the Complainant’s partner asked the Licensee, via email, “*Can [the Complainant] park the car on the street? Is she covered by ICBC if the vehicle is stolen?*” The Licensee responded the same day, writing in an email “*Yes she can park her car on the street with the insurance documents on the dashboard. She is fully covered.*”
13. The Licensee explained to Council’s investigators that he had helped the Complainant because the Other Licensee was away on vacation. He had not reviewed any notes or correspondence between the Complainant and the Other Licensee because there were none for him to access. He stated that he had told the Complainant, over a phone call, that the vehicle could only be parked on private property. He further stated that he told the Complainant the vehicle could be parked on a street because he assumed the street would not be public property; he had assumed that the Complainant

would park on a private street. Council's investigators asked the Licensee what policy would be appropriate for the Complainant's objective of parking on a public street. The Licensee responded that an active insurance policy should be used, not a storage policy.

14. The Licensee told the investigators that he had been confused about the distinction between private property and public streets, but that he now understands the distinction. He also stated that he now knows that he must confirm with clients that vehicles covered by storage insurance policies must be kept on private property, and not on streets. The Licensee noted that he had asked the Complainant about where the vehicle would be parked, and had been told it would be at her home address. He admitted that he had made a mistake in telling the Complainant that parking on a street was covered by the storage policy.
15. The Committee asked the Licensee to describe his usual process when helping a client when the colleague who usually deals with the client is away. He explained that he would typically go over the client's file with the other agent first before completing any work, usually by meeting the colleague in person or speaking with them over the telephone. In the case at hand, the Licensee had been made aware that the Complainant would be calling to discuss a storage policy and other options for her vehicle, but he did not have access to written correspondence, as he does not have access to other agents' emails.
16. The Licensee was asked about his own record-keeping and note-taking practices. He explained that he does not typically keep notes, but sends his clients consent emails. This practice involves him going over relevant information with clients either over the telephone or in person, and then summarizing the information in an email that is sent to them to gain their consent.
17. The Manager noted to the Committee that, since this incident, their agency has made stronger efforts to communicate to clients that the location where vehicles are kept is important for storage policies, and that vehicles covered by storage policies must be kept on private property. They now include a written statement on client documents concerning the location of the vehicle, whereas previously that information would only have been communicated verbally.
18. The Manager vouched strongly for the Licensee, describing him as an asset to their team. She explained that he had been forthright to their agency about the mistake, and was dedicated to not making the same mistake again. She said that he has trained many new agents over the years and has produced great results, and emphasized the positive impact that the Licensee has had on the agency.
19. The Licensee stated that he does not issue storage policies very often, and estimated that he does only one or two in the course of a year.

ANALYSIS

20. Council's opinion is that the Licensee's inaccurate advice to the Complainant about where she could leave her vehicle was significant enough to amount to a breach of Code of Conduct sections 5

(“Competence”), 7 (“Usual Practice: Dealing with Clients”), and 8 (“Usual Practice: Dealing with Insurers”).

21. The Licensee’s actions indicate that either he did not understand the storage policy that he arranged for the Complainant, but gave advice about it nevertheless, or that he had not taken steps to ensure that the policy was suitable for the Complainant and properly understood by her. He clearly told the Complainant and her partner that the vehicle could be parked on the street, when that was not the case. Council believes that this amounted to a breach of section 5 of the Code of Conduct, because, at the very least, the Licensee seemed confused about whether a street is considered private or public property, and failed to take steps to ensure that the policy was suitable for the Complainant’s needs.
22. Similarly, Council’s opinion is that section 7 of the Code of Conduct was also breached, because that section requires that licensees evaluate the needs of their clients. The storage policy was not suitable for the Complainant, given her intention to park the vehicle on a city street, but the Licensee did not take adequate steps to ensure suitability. Finally, Council believes that section 8 of the Code of Conduct, which requires licensees to “make reasonable inquiries into the risk” and “represent the insurer’s products fairly and accurately,” has also been breached. The Licensee did not describe the storage policy accurately to the Complainant, and should have taken more care to ensure it was understood.
23. Overall, Council believes that the Licensee gave bad advice that was at least in part due to his use of the term “private street” and his own confusion as to where the vehicle could be parked. The Licensee explained that there had been “miscommunication on both sides,” and while that may have been true, he should have followed up with the Complainant to ensure that the information given was accurate and that the Complainant understood the vehicle must be parked on private property. The Licensee was aware of the Complainant’s address, and her intention to park the vehicle on a street at her address. Council’s opinion is that this should have prompted the Licensee to take better care to ensure that the vehicle could indeed be parked where intended.

PRECEDENTS

24. Prior to making its decision, Council took into consideration three past decisions of Council that involved licensees who gave inaccurate insurance advice or inadequately assessed client needs. While Council is not bound by precedent and each matter is decided on its own facts and merits, Council found that the following decisions were instructive in terms of providing a range of sanctions for similar types of misconduct.
25. [*Richard \(Rick\) Ben Triemstra*](#) (July 2024): concerned a general insurance licensee who was alleged to have failed to conduct adequate fact-finding, failed to assess a client’s insurance needs, and failed to deal with a client according to the usual practice. The complainant, seeking insurance coverage for company directors, was not given adequate advice regarding the necessary coverage of legal defence costs; when subsequently involved in civil claims, the complainant discovered legal costs were not

covered. Council reprimanded the licensee, required him to complete two relevant technical courses, and assessed investigation costs.

26. [Derrick Stephen Dar](#) (March 2016): concerned a general insurance licensee who was approached by a realtor to provide insurance coverage on a rental property owned by the realtor's clients. The licensee made a quote based on the information provided by the realtor. Four years after the policy was issued, the licensee moved the insurance coverage to a different insurer. About four months later, a fire occurred at the property. In the rental property's declaration, it was noted that six people were living at the property. The insurer voided the policy on the basis that the policy was misrepresented to them as a single-family occupancy. Council found that the licensee was unable to produce file notes, show that he had completed rental dwelling questions, or show meaningful follow-up regarding the client's insurance needs. Council noted that "he placed too much emphasis on being able to offer affordable insurance coverage, rather than spending the time required to make sure there was an adequate assessment of risk." Council reprimanded the licensee and required him to complete an errors and omissions insurance course.
27. [Donald Gordon Shindelka](#) (April 2015): concerned a general insurance agent who was alleged to have sold a commercial insurance policy that excluded critical coverages required by the client. The client operated a personal watercraft and boat rental business, along with other businesses. Council found that "the liability risk posed by a jet ski operation was significant, and a prudent and competent licensee had an obligation to ensure that the proper insurance coverage was provided." The licensee was reprimanded and assessed investigation costs.

MITIGATING AND AGGRAVATING FACTORS

28. Council took mitigating and aggravating factors into consideration. Mitigating factors included that the Licensee's breaches of the Code of Conduct were unintentional, and the mistake appeared to be an isolated incident that was not representative of his overall insurance practice. Additionally, the Licensee cooperated with Council throughout the investigation, and expressed remorse about having provided bad advice that Council considered to be genuine. Further, Council considered the fact that the Licensee has worked with the same agency for a long time, and was highly praised by the Manager, as indications that the Licensee is trusted by those he works with.
29. In terms of aggravating factors, Council noted that the Licensee has lengthy experience in the insurance industry, having first been licensed in 2013. The Licensee was also asked multiple times by the Complainant and her partner about where the vehicle could be parked, and as such had opportunities to correct his advice or better clarify where the vehicle could be parked. Additionally, the fact that the Licensee has been disciplined by Council in the past, albeit for unrelated conduct, was considered aggravating.

CONCLUSION

30. Council believes it is appropriate to reprimand the Licensee, and to require him to complete the Insurance Brokers Association of British Columbia's Errors and Omissions Prevention for New Brokers course. This course will help the Licensee to avoid future situations that could lead to errors, and covers topics such as note-taking, which Council believes will benefit him.
31. Council also intends to assess its investigation 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

32. Pursuant to sections 231, 236, and 241.1 of the Act, Council made an intended decision that:
 - a. the Licensee be reprimanded;
 - b. the Licensee be required to complete the Insurance Brokers Association of British Columbia's Errors and Omissions Prevention for New Brokers course (the "Course"), or an equivalent course as approved by Council, within 90 days of Council's order;
 - c. the Licensee be assessed Council's investigation costs of \$1,137.50, to be paid within 90 days of Council's order; and
 - d. a condition be imposed on the Licensee's general insurance licence that failure to complete the Course and pay the investigation costs by their deadline will result in the automatic suspension of that 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.
33. 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

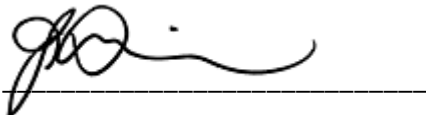
34. Council may take action or seek legal remedies against the Licensee to collect outstanding costs, should these not be paid by the 90-day deadline.

RIGHT TO A HEARING

35. 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.**
36. 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>.

Dated in Vancouver, British Columbia, on the **13th day of May, 2025.**

For the Insurance Council of British Columbia

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

Janet Sinclair
Executive Director