

In the Matter of the

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

and the

INSURANCE COUNCIL OF BRITISH COLUMBIA
(“Council”)

and

OSCAR DANIEL SALGADO VELEZ
(the “Licensee”)

ORDER

As Council made an intended decision on December 9, 2025, 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 January 19, 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 required to be supervised by a life and accident and sickness insurance agent, as approved by Council, for a period of one year of active licensing commencing, at the latest, March 2, 2026;
- 2) The Licensee is required to complete the following courses, or equivalent courses as acceptable to Council, by May 4, 2026:
 - i. The Insurance Council Client Confidentiality Course;
 - ii. The Compliance Toolkit: Know Your Client and Fact-Finding, available through Advocis;
 - iii. The Compliance Toolkit: Know Your Product and Suitability, available through Advocis; and

- iv. The Challenge of Documenting Nothing, available through Advocis;

(collectively, the “Courses”);
- 3) The Licensee is assessed Council’s investigation costs of \$3,937.50, to be paid by May 4, 2026; and
- 4) A condition is imposed on the Licensee’s life and accident and sickness insurance agent licence that failure to obtain a supervisor as required, complete the Courses and pay the investigation costs by their deadlines 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 the Licensee has complied with the conditions listed herein.

This order takes effect on the **2nd day of February, 2026**



Janet Sinclair, Executive Director
Insurance Council of British Columbia

INTENDED DECISION

of the

INSURANCE COUNCIL OF BRITISH COLUMBIA
(“Council”)

respecting

OSCAR DANIEL SALGADO VELEZ
(the “Licensee”)

1. Pursuant to section 232 of the *Financial Institutions Act* (the “Act”), Council conducted an investigation to determine whether the Licensee misled two clients into purchasing life insurance products that were unsuitable for their needs, failed to maintain records and client notes for the two client files, failed to provide full and accurate information to an insurer when submitting a life insurance application, and failed to safeguard a client’s personal information.
2. On October 21, 2025, as part of Council’s investigation, a Review Committee (the “Committee”) comprised of Council members met with the Licensee and his legal counsel via video conference to discuss the investigation. An investigation report prepared by Council staff was distributed to the Committee and the Licensee before the meeting, and the Licensee and his legal counsel were given an opportunity to make submissions and provide further information. A discussion of the investigation report took place at the meeting.
3. After reviewing the investigation materials and discussing the matter at the October 21, 2025, meeting, the Committee prepared a report for Council that was reviewed by Council at its December 9, 2025, meeting. Council determined that 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 held a life and accident and sickness insurance agent (“Life Agent”) licence since May 28, 2019, and his licence is currently active.

6. The Licensee has held an authorization to represent (“ATR”) an insurance agency (the “Agency”) since May 28, 2019.
7. On July 24, 2024, Council received a Life Agent Reporting Form (LARF) from an insurer (the “Insurer”) identifying client product suitability issues and privacy concerns. The Insurer carried out an investigation after receiving phone calls from two of the Licensee’s clients who had concerns about their insurance policies, one of whom submitted an official complaint.
8. The Insurer provided Council with its investigation file. The investigation concerned two clients, C.R. (“Client One”) and D.P. (“Client Two”) (collectively, the “Clients”).
9. The Insurer gave the Licensee a warning notice. In the notice, the Insurer expressed concern about the transmission of confidential client documents without adequate password protection. The Insurer noted that the Licensee had sent Client One’s financial statement from the Licensee’s Agency email account without securing it with a password. The Insurer also determined that the Licensee did not provide evidence of the clients’ financial needs.
10. After receiving the Insurer’s findings, the Agency also began an investigation that resulted in the issuance of a compliance notice to the Licensee. Similar to the Insurer, the Agency found that the Licensee should have ensured the secure transfer of Client One’s personal information.

Client One

11. On February 13, 2022, Client One purchased an insurance product through the Licensee: a \$550,000 universal life insurance policy with a \$40,000 critical illness coverage. The premium payments were \$215 per month.
12. Four weeks after purchasing this policy, on March 15, 2022, Client One purchased a second life insurance policy from the Licensee. The second life insurance policy was a whole life insurance policy with a face value of \$139,080. The premium payments for this policy were \$500 per month. Both life insurance policies were with the same insurer.
13. Client One told the Insurer that the Licensee had described the whole life policy as being like a bank account and had stated that the funds could be obtained after the one-year anniversary.
14. The Financial Needs Analysis document rated Client One’s investment knowledge as poor. Although the Licensee stated that he accounted for Client One’s spouse’s income and child tax benefits, this information was not included in the Financial Needs Analysis.
15. On February 28, 2023, almost one year after the whole life policy was issued, the Insurer received a request from Client One for a policy loan of \$3,000. The Licensee had recommended that Client One apply for a policy loan. The purpose of the loan was to make a Registered Retirement Savings Plan (“RRSP”) contribution. The interest rate of the loan was 9.45%.

16. On October 18, 2023, Client One phoned the Insurer to make a complaint, stating that he had been misled into purchasing a whole life policy and that the product features were not as described by the Licensee at the time of purchase.
17. On October 30, 2023, Client One emailed the Insurer additional details about his complaint, in which he stated that he regretted purchasing the whole life policy and said that the reason he had purchased it was because the Licensee had told him that the money would be returned to him after one year. Client One stated that he felt he had been sold a product that does not exist and that he no longer wanted the Licensee as his advisor.
18. Following Client One's complaint to the Insurer, the Insurer cancelled the whole life policy on January 23, 2024, and issued a full refund of all premiums paid.
19. The Licensee did not complete an advisor disclosure document for either of Client One's life insurance policies.

Client Two

20. On July 26, 2021, Client Two purchased an insurance product through the Licensee: a \$400,000 universal life insurance policy with a \$30,000 critical illness coverage. The premium payments were \$255 per month.
21. On July 18, 2022, Client Two purchased a second life insurance policy with the Insurer through the Licensee. This was a whole life insurance policy with a face value of \$83,217. The premium payments for this policy were also \$255 per month.
22. The Financial Needs Analysis showed that Client Two had a limited payment capacity, as he earned \$5,000 a month and had \$5,450 in monthly expenses. The document stated that Client Two's goals were to pay off debts, provide income replacement, provide education funding and pay final expenses.
23. The Licensee instructed the Insurer to issue a premium holiday for the first life insurance policy on July 18, 2022, which was the same day that the second life insurance policy was issued.
24. The Licensee stated that the whole life policy is suitable for individuals who own a business, as there can be tax savings features, and that Client Two would change his current partnership business to a corporation. However, Client Two did not proceed with the incorporation. This was not documented in the client notes.
25. On April 24, 2023, Client Two phoned the Insurer and stated that he was not aware that he had the whole life policy and that he did not provide his consent for the issuance of the whole life policy. He also stated that the whole life policy was fraudulently opened without his consent.

26. On November 16, 2023, Client Two submitted a surrender request to the Insurer, leading to the termination of the policy. The Insurer did not provide a refund of the premiums paid.
27. In a letter Council received from the Licensee's counsel dated October 26, 2024, the Licensee stated that he did properly discuss and document Client Two's financial needs. In response to the Insurer's finding that he failed to ensure adequate password protection when transmitting documents to the Insurer, the Licensee accepted responsibility and stated that he would take measures to ensure that this remained an isolated incident. The Licensee believed that he did not require client consent in this circumstance because he was providing the documents to the Insurer in response to its compliance investigation into Client One's complaint. He also believed that by sending statements or communicating via his Agency email that no password protection was required.
28. On January 23, 2025, Council staff conducted an interview with the Licensee and his counsel. With respect to Client One, the Licensee stated that Client One's main goals were to purchase a property and protect his family, as he is the primary income-earner. The Licensee further stated that he had discussed life insurance, Tax Free Savings Accounts (TFSA's), RRSPs and Registered Education Savings Plans (RESPs) with Client One. The Licensee stated that a whole life policy is suitable for individuals who own a business, which is why he recommended it to Client One. He stated that Client One was going to open a construction company in the next two to five years, and that he was already supervising a family member in the same field. As the business was not yet incorporated, the Licensee did not feel the need to disclose it in the client notes.
29. When asked why Client One took a policy loan after he had a life insurance policy in place for one year, the Licensee stated that the policy loan would be used towards Client One's RRSPs in order to receive a tax refund. The intention was to use the tax refund to repay the policy loan. The Licensee admitted that he did not complete the advisor disclosure document for either of Client One's life insurance policies. He stated that this was an honest mistake.
30. With respect to Client Two, the Licensee described Client Two as very financially illiterate. The Licensee stated that Client Two's partner earned about \$3,000 a month from child tax benefits and also worked part-time. When questioned why he did not list Client Two's partner's income in the insurance application and client notes, the Licensee stated that he acted on Client Two's instruction to withhold this information due to personal circumstances. The Licensee recommended the whole life policy because Client Two intended to incorporate his business in the near future.
31. When asked why Client Two's universal life policy was put on premium holiday on the same day that the whole life policy was purchased, the Licensee stated that Client Two was transitioning his trucking business from a partnership to a corporation and that he wanted to temporarily pause the universal life policy. The Licensee stated that Client Two wanted more permanent coverage but wanted to keep the same premium payment amount as before. The Licensee stated that Client Two did not end up incorporating his business, as he lost one of his delivery contracts. In response to Client Two's claim that he was not aware of and did not consent to purchasing the whole life policy, the Licensee explained that it was a misunderstanding in that Client Two thought it was an RRSP product.

32. On June 12, 2025, the Agency confirmed that the total net commission earned by the Licensee for selling the four insurance policies to the Clients was \$5,050.95, after accounting for the chargebacks, which totalled \$4,418.95.
33. The Licensee admitted to the Committee that he did not maintain adequate documentation in the client files. The Licensee also admitted that he did not save the illustrations and did not complete the advisor disclosure documents for Client One's policies. As for Client Two, the Licensee admitted that he did not conduct a proper fact-finding and did not include all income sources in the financial needs analysis.
34. The Licensee reiterated that he made an unintentional mistake when he transmitted Client One's personal information to the Insurer without password protection. He apologized to the Committee for his misconduct and stated that he has since improved his practice.
35. The Licensee further admitted that, in hindsight, he should not have recommended the whole life policy to Client One because he had not incorporated his business at the time. The Licensee explained that he was relatively new to the insurance industry when the policies were sold, and that he should have sought assistance to ensure that his product knowledge and recommendations were appropriate.
36. The Licensee told the Committee that he had completed several courses in an effort to improve his practice. The Licensee voluntarily completed the Council Rules Course in 2024, along with a documentation course from the Agency and a course from an insurer on running a business. He stated that he had also passed several internal audits conducted by the Agency.
37. With regard to Client One, the Licensee stated that the whole life policy was not a replacement for the universal life policy. He claimed that, as of the Committee meeting, Client One is satisfied with the universal life policy, the policy is active and the Licensee remains the agent on record. He also stated that Client One did not want term insurance because it expires.
38. With regard to Client Two, the Licensee stated that he offered TFSA/RRSP products but the client wanted life insurance with minimal risk. He had recommended the whole life policy since Client Two already had business income and had a business partnership with a family member. However, the Licensee acknowledged that Client Two may not have understood the whole life policy. The Licensee stated that this was unintentional and that he was focused on the client's needs. The Licensee stated that Client Two's universal life policy is still active and that he remains the agent of record.

ANALYSIS

39. Council considered the impact of Council's Code of Conduct (the "Code") on the Licensee's conduct, including section 3 ("Trustworthiness"), section 4 ("Good Faith"), section 5 ("Competence"), section 7 ("Usual Practice: Dealing with Clients") and section 8 ("Usual Practice: Dealing with Insurers"). Council concluded that the Licensee's conduct amounted to clear breaches of these sections of the Code and

the professional standards set by the Code, except for Trustworthiness. Licensees are required by Council Rule 7(8) to comply with the Code. Additionally, Council determined that the Licensee breached Council Rule 7(9).

40. Council concluded that the Licensee did not breach section 177 of the Act and the *Insurance Contracts (Life Insurance Replacement) Regulation* (the “Regulation”).
41. Council determined that the Licensee breached his duty of good faith to the Clients and the Insurer. Council concluded that it is more likely than not that the Licensee took advantage of the Clients’ lack of sophistication when he sold them the whole life policies. Council acknowledged that the Licensee was relatively new to the insurance industry at the time the policies were sold and that he may not have had an in-depth knowledge of the whole life policy; however, Council concluded that this was not an excuse for recommending a product to clients who depend on the Licensee to provide appropriate insurance advice. The Licensee admitted that he should not have recommended the whole life policy to Client One. Council also noted that the Licensee failed to accurately disclose the Clients’ income sources in the policy applications.
42. Similarly, Council concluded that the Licensee’s misconduct was competence related. The Licensee failed to conduct a proper fact-finding for the Clients and failed to retain appropriate documentation in the Clients’ files. Council believed that the Licensee’s record-keeping practices were poor. The Licensee failed to complete the advisor disclosure documents for Client One’s policies and did not save the illustrations. Accordingly, Council found that the Licensee breached Council Rule 7(9). Council was concerned that the Licensee sold the whole life policies to the Clients based on an assumption that they would incorporate a business in the future. In Council’s view, a competent insurance licensee would not have made the same recommendation in the circumstances. Council concluded that the Licensee failed to adequately secure Client One’s personal information in his communications with the Insurer. Further, Council questioned whether the policy loan for Client One was appropriate in the circumstances.
43. For the same reasons as above, Council determined that the Licensee breached the usual practice of dealing with Clients principle. Council noted that the Clients did not have an adequate understanding of the whole life policies that they purchased from the Licensee. In Council’s view, an insurance licensee should take appropriate steps to ensure that a client understands the insurance product that they are purchasing. In addition, Council concluded that the Licensee breached the usual practice of dealing with insurers principle when he failed to provide full and accurate information about the Clients’ income sources in the policy applications.
44. Council found no evidence to suggest that the Licensee was untrustworthy. Further, Council believed that the Licensee did not purposefully intend to mislead the Clients and the Insurer. Accordingly, Council determined that the Licensee did not breach section 177 of the Act. Council also found no evidence to suggest that the whole life policies were intended to replace the universal life policies; therefore, Council did not find the Regulation to be relevant.

PRECEDENTS

45. Before making its decision in this matter, Council took into consideration the following precedent cases. While Council is not bound by precedent and each matter is decided on its own facts and merits, Council found that these decisions were instructive in providing a range of sanctions for similar types of misconduct.
46. [Liza Tanigue Gatasi](#) (July 2024): concerned a former Life Agent licensee who did not take sufficient care to ensure a client understood material details about an insurance policy the former licensee sold them, and that the former licensee had facilitated the cancellation of an existing life insurance policy contrary to the client's best interests. The former licensee had sold an insurance policy to a client that covered the client's spouse, rather than the client themselves. Council did not believe that the former licensee set out to mislead the client in any way, but rather that the former licensee should have taken greater care to make sure that the client understood the product. Additionally, Council found that there was an overall record-keeping failure by the former licensee, as communications with and instructions from the client were not adequately documented. Council also found that the former licensee's fact-finding and evaluation of the client's needs was lacking in diligence, and Council was concerned that the former licensee did not take sufficient action to confirm whether the client could afford the product the former licensee sold them. Council ordered that the former licensee be supervised for two years and be required to take the Council Rules Course, an ethics course, a fact-finding course, a product suitability course and a documentation course. The former licensee was also assessed investigation costs.
47. [Rosalie Abando Ninalga](#) (March 2024): concerned a Life Agent licensee who failed to maintain documentation of client instructions, client notes and summaries related to the assessment of a client's needs. Council noted that, without a properly documented needs analysis, it is difficult to assess the suitability of insurance products sold to a client. Council found that the licensee's practice did not align with the usual practice of the business of insurance and, as a result, there could be a risk to the public. Council ordered that the licensee be supervised for one year, be required to complete the Council Rules Course and several courses through Advocis, and be assessed investigation costs.
48. [Sherlock Hsu](#) (September 2023): concerned a Life Agent licensee who submitted insurance applications without a client's full understanding and failed to maintain proper record keeping in order to ensure mutual understanding. The licensee had recommended a leveraged investment strategy to the client. Council questioned whether the leveraged investment was suitable for the client in the circumstances. The licensee's failure to maintain proper books and records raised questions about his competence, as he could not demonstrate that a proper needs analysis had been conducted, or that proper explanations were provided so that the client could make an informed decision. Council also noted that the licensee signed as a witness to the client's signature on an application when he had not actually witnessed the signature. Council ordered that the licensee be supervised for two years and be required to take the Council Rules Course, a fact-finding course and a product suitability course. The licensee was also fined \$2,000 and assessed investigation costs.

49. [Rodney Gillis Tidsbury](#) (August 2022): concerned a general insurance agent licensee who provided client information to a realtor. The licensee informed the realtor, who was acting in a real estate transaction, that there was insurance confirmation on a property that a client intended to purchase. The client had requested an extension to remove subjects as the client wanted further time to explore whether insurance for the property could be obtained at a reasonable rate. The sellers did not extend the time for the removal of subjects and ultimately the sale fell through. Council concluded that the licensee did not intentionally disclose confidential client information; rather, he failed to hold confidential client information in strict confidence and did not receive authorization from the client to release information related to the insurance confirmation of the property. Council ordered that the licensee be fined \$1,000, be required to complete the Council Rules Course and a privacy compliance course and be assessed investigation costs.
50. [Prestige Insurance Services Ltd. DBA Perpetual Insurance Services and Alexander Hamilton Cheung Hin Nam](#) (May 2020): concerned an agency and its nominee who were investigated following an incident whereby three boxes of insurance business documents were accidentally left behind in a temporary office that the agency had occupied while its usual office was being renovated. The agency and the manager in charge of responding to the incident reacted promptly and responsibly by making immediate efforts to retrieve the documents, co-operating with the Insurance Corporation of British Columbia, reporting the incident to the Office of the Information and Privacy Commissioner, posting a notice for clients on the agency website, and implementing new procedures to prevent a similar incident in the future. Council concluded that the mistake had put client information at risk and warranted a reprimand of the agency. Additionally, the nominee was required to complete the Council Rules Course and a privacy course, and the agency was assessed investigation costs.
51. [Andreas Lauri Hinkkala](#) (August 2019): concerned a Life Agent licensee who recommended insurance products to a client and her two children who could not reasonably afford the premiums. In particular, the licensee redeemed and transferred the client's mutual funds to pay for the premiums on policies that the licensee sold. Additionally, the licensee let a policy lapse three times while he was the agent of record and did not maintain records of communication with clients. Council found that the insurance products the licensee recommended were grossly unsuitable considering the client's financial circumstances and needs. Council also found that the licensee was motivated by insurance commissions in recommending the insurance products to his clients. Council determined that the licensee failed to carry on the business of insurance in good faith, conduct all insurance activities in a competent manner, and act in the usual practice when dealing with clients. Council ordered that the licensee be supervised for two years and be required to complete an ethics course. The licensee was also fined \$2,500 and assessed investigation costs.

MITIGATING AND AGGRAVATING FACTORS

52. Council considered relevant mitigating and aggravating factors. In terms of mitigating factors, Council considered that the Licensee had taken the initiative to improve his insurance practice by completing several courses. Council believed the Licensee to be genuine in his efforts to become a more competent insurance licensee. Council accepted the Licensee's remorse and acknowledgement that he had committed a privacy breach, failed to retain proper client documentation, failed to include pertinent information in the financial needs analysis, and recommended an inappropriate insurance product. Council also found that the Licensee co-operated with Council's investigation.
53. Council considered but did not identify any aggravating factors.

CONCLUSIONS

54. After weighing all of the relevant considerations, Council considers a one-year supervision period for the Licensee to be appropriate. Although Council acknowledges that the Licensee has made some efforts to improve his insurance practice, Council believes that a Council-approved supervisor would provide consistent oversight to ensure that the Licensee's practices are aligned with current standards.
55. Further, Council has determined that the Licensee be required to complete courses on client confidentiality, file documentation, fact-finding and product suitability.
56. Council has determined that investigation costs should be assessed against the Licensee. As a self-funded regulatory body, Council looks to licensees who have engaged in misconduct to bear the costs of their discipline 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

57. Pursuant to sections 231 and 241.1 of the Act, Council made an intended decision that:
- a. The Licensee be required to be supervised by a life and accident and sickness insurance agent, as approved by Council, for a period of one year of active licensing commencing, at the latest, one month after the date 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 Insurance Council Client Confidentiality Course;

- ii. The Compliance Toolkit: Know Your Client and Fact-Finding, available through Advocis;
 - iii. The Compliance Toolkit: Know Your Product and Suitability, available through Advocis; and
 - iv. The Challenge of Documenting Nothing, available through Advocis;

(collectively, the “Courses”);
- c. The Licensee be assessed Council’s investigation costs of \$3,937.50, to be paid within 90 days of Council’s order; and
 - d. A condition be imposed on the Licensee’s life and accident and sickness insurance agent licence that failure to obtain a supervisor as required, complete the Courses and pay the investigation costs by their deadlines 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 the Licensee has complied with the conditions listed herein.
58. 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

59. 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.

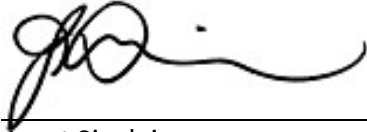
RIGHT TO A HEARING

60. 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.**
61. 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

www.bcfst.ca or visit the guide to appeals published on their website at www.bcfst.ca/app/uploads/sites/832/2021/06/guidelines.pdf.

Dated in Vancouver, British Columbia, on the **19th day of January, 2026.**

For the Insurance Council of British Columbia

A handwritten signature in black ink, appearing to be 'JS', with a long horizontal flourish extending to the right.

Janet Sinclair
Executive Director