

Brown Insurance Brokers (Palmerston) Limited
Registration Number: A00275
Palmerston, Ontario

Jeremy Paul Thomas Brown
Registration Number: R20176
Thunder Bay, Ontario

HEARING DATE: December 10, 2015

**MISCONDUCT: Ontario Regulation 991, ss 15(1)13, 16(4)1, 4.1 and 4.2, 5
and (6)**

PARTICULARS OF THE COMPLAINT:

Brown Insurance Brokers Ltd. (hereinafter referred to as "Brown Insurance") has operated in a net trust deficit position as determined by RIBO staff in their investigation. They also failed to maintain, at all times, in its trust account moneys and trust investments that are sufficient, together with trust funds receivable, to meet all its trust obligations.

DISCIPLINE COMMITTEE'S DISPOSITION:

The Discipline Committee accepted the plea of guilty by Jeremy Paul Thomas Brown and based on the evidence adduced by RIBO in support of the plea of guilty found that Jeremy Paul Thomas Brown and Brown Insurance are guilty of misconduct as alleged in the Direction. The Discipline Committee, therefore, ordered:

- (a) That the brokerage file monthly position reports in Form 1 showing full compliance of Sections 16(4), Subsection 1, Subsections 4.1 and 4.2 and Subsections (5) and (6)(a)(b) and (c) of Ontario Regulation 991 for a period of one year, commencing with the month ending November 30, 2015 and thereafter as at December 31, 2015, January 31, 2016, February 29, 2016, March 31, 2016, April 30, 2016, May 31, 2016, June 30, 2016, July 31, 2016, August 31, 2016, September 30, 2016 and October 31, 2016. These reports are to be accompanied with the following verifying financial attachments; internally generated balance sheet, income statement, summary page of the aged premium receivable listing, copies of the original bank statements of the trust and general accounts, and the corresponding reconciliation statements, and any other working paper that verifies a balance that differs with a system generated balance. Should these financial attachments not be applicable to this brokerage, then RIBO and the broker will agree on what these verifying

financial attachments will be. These reports are to be in RIBO's offices 30 days after the respective month end.

- (b) That the brokerage shall subsequently file quarterly position reports in Form 1 showing full compliance of Sections 16(4), Subsection 1, Subsections 4.1 and 4.2 and Subsections (5) and (6)(a)(b) and (c) of Ontario Regulation 991 commencing with the month ending December 31, 2016, and thereafter as at March 31, 2017, June 30, 2017 and September 30, 2017. These reports are to be accompanied with the following verifying financial attachments; internally generated balance sheet, income statement, summary page of the aged premium receivable listing, copies of the original bank statements of the trust and general accounts, and the corresponding reconciliation statements, and any other working paper that verifies a balance that differs with a system generated balance. Should these financial attachments not be applicable to this brokerage, then RIBO and the broker will agree on what these verifying financial attachments will be. These reports are to be in RIBO's offices 30 days after the respective month end.