

Shahzad Gurmani
Registration Number: D38785
Brampton, Ontario

HEARING DATE: November 21, 2019

MISCONDUCT: Ontario Regulation 991, ss. 14.1, 14.3, 16.4.2 and 4

PARTICULARS OF THE COMPLAINTS:

At all material times Shahzad Gurmani was a registered insurance broker conducting business in the Greater Toronto, Ontario area.

As a result of information RIBO received from Mr. Gurmani's previous employer, it appeared that Mr. Gurmani committed misconduct:

- by accepting premium from clients and depositing same into his personal account; and
- by not forwarding the premium received from clients for deposit into the brokerage's trust account.

DISCIPLINE COMMITTEE'S DISPOSITION:

The Discipline Committee (hereinafter referred to as the "Committee") accepted evidence from RIBO staff that Mr. Gurmani had been properly served with the Notice of Hearing. The original Hearing of May 30, 2019 was postponed allowing Mr. Gurmani time to retain legal representation. He was advised that the next Hearing date would be rescheduled on a peremptory basis and would go ahead with or without Counsel. The Committee agreed that they had jurisdiction to hear this matter. The Hearing proceeded without Mr. Shahzad Gurmani or any representation on his behalf. A plea of not guilty was entered on his behalf.

The Committee received submissions from Counsel for RIBO and heard the testimony of representatives from Mr. Gurmani's previous employer. The Committee found them to be credible witnesses. The Committee was provided with evidence on 6 different insureds. In each case money was transferred by the insureds directly into Mr. Gurmani's bank account at his instruction. The premiums were never transferred into the brokerage's trust account or were applied to any of the insured's accounts. In numerous cases there was evidence entered that showed email transfers going into Mr. Gurmani's bank account. In one case there was an insured who's policy was cancelled due to non-payment by the insurer as a result of Mr. Gurmani not forwarding the premiums to the insurer upon receipt of the said premiums or within the allotted time to send the premiums to the insurance company.

The Committee found that there was sufficient evidence to find Mr. Shahzad Gurmani guilty. The Committee, therefore, ordered:

- (a) that Mr. Shahzad Gurmani pay a fine by cheque in the amount of \$5,000.00 made payable to the Minister of Finance and to be received by RIBO on or before May 20, 2020.
- (b) that Mr. Shahzad Gurmani not be permitted to reapply for a RIBO registration if Mr. Gurmani fails to comply with Paragraph (a) of this Order. Should Mr. Gurmani wish to reapply for a RIBO registration, he must:
 - (i) Take the IBAO or the Insurance Institute Basic Broker preparation course.
 - (ii) Successfully pass the RIBO Level 1 Exam.
 - (iii) Apply to the Qualification and Registration Committee for registration with RIBO, and meet the criteria under Regulation 991, Section 5(1)(i)(ii)(iii) and (iv).
- (c) that Mr. Shahzad Gurmani registration with RIBO be suspended for a period of 12 months. The suspension is to commence effective date of Mr. Gurmani's registration with RIBO, should Mr. Gurmani wish to reapply for registration.