

**A.T.S. Insurance Group Inc.**  
**Registration Number: A3215**  
**Richmond Hill, Ontario**

**David James Forster**  
**Registration Number: R3857**  
**Richmond Hill, Ontario**

**HEARING DATE: November 11, 2010**

**MISCONDUCT: Ont. Reg. 991, ss. 15(1)(13), 16(4), 16(4)i, ii, 16(4)5, 16(6),  
17(2), 17(2)(d)m 17(5) and 17(9).**

**PARTICULARS OF THE COMPLAINT:**

A.T.S. Insurance Group Inc. (hereinafter referred to as "A.T.S. Insurance") and David James Forster as Principal Broker, has been in breach of an Order of the Discipline Committee dated the 30<sup>th</sup> day of October, 2008, wherein A.T.S. Insurance was ordered to file monthly position reports in Form-1 showing full compliance for a period of 1 year, commencing with the month ending December 31, 2008, and thereafter as at January 31, 2009 to November 30, 2009, with usual attachments. RIBO staff found that the broker did not include with his required filings copies of the bank statements and reconciliations on the trust and general accounts since inception of the Order.

RIBO staff established in a broker review on April 28, 2010 large discrepancies in reported balances on the trust bank accounts. Also in the same broker review RIBO staff also established trust deficits for the months ending March 31, 2009, September 30, 2009, October 31, 2009, November 30, 2009, December 31, 2009 and January 31, 2010 where the broker had filed position reports in Form-1 indicating full compliance for the above corresponding dates. Therefore, as a result of all of this A.T.S. Insurance and David James Forster as Principal Broker at that time were in breach of paragraph 2(a) of the said Order.

**DISCIPLINE COMMITTEE'S DISPOSITION:**

The Discipline Committee found that A.T.S. Insurance and David James Forster were properly served with the Notice of Hearing for Breach of Order.

The Discipline Committee accepted the plea of guilty by David James Forster personally, and on behalf of A.T.S. Insurance, and accepted the evidence adduced by RIBO in support of the plea of guilty and found that A.T.S. Insurance and David

James Forster were guilty of breaching paragraph 2(a) of the Order dated the 30<sup>th</sup> day of October, 2008.

The Discipline Committee also heard representations from Counsel for RIBO and from Mr. David James Forster with respect to publication and noted that Mr. Forster and A.T.S. Insurance appeared before the Discipline Committee on three separate occasions for substantially the same offense, and in all previous instances, Mr. Forster was granted an Order for non-publication. The Discipline Committee therefore ordered:

- (a) That the Certificate of Registration of David James Forster is hereby restricted to "Y" Unrestricted Technical Only (Discipline Order). This restriction to be in effect no later than January 31, 2011.
- (b) That a recommendation be made to the Qualification and Registration Committee that they not consider an application by David James Forster to have the said restriction removed until after 5 years from November 11, 2010, and before it can be removed he must first attend the IBAO Advanced Broker Management Course and pass the RIBO Unrestricted Management Exam.
- (c) That the Certificate of Registration of David James Forster be suspended immediately. Such suspension to be suspended pending full compliance with the following:
  - (i) That A.T.S. Insurance shall file with RIBO monthly position reports in Form-1 showing full compliance for a period of one year commencing with the reporting date as at December 31, 2010 and thereafter as at January 31, 2011, February 28, 2011, March 31, 2011, April 30, 2011, May 31, 2011, June 30, 2011, July 31, 2011, August 31, 2011, September 30, 2011, October 31, 2011 and November 30, 2011. 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.
  - (ii) That A.T.S. Insurance shall subsequently file quarterly reports in Form-1 showing full compliance for a period of one year commencing with the month ending February 29, 2012, and thereafter as at May 31,

2012, August 31, 2012 and November 30, 2012. 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.

- (iii) That David James Forster confirms that all required material per the Order will be submitted into RIBO offices as required. This confirmation to be received in RIBO's offices no later than January 31, 2011.

then, the suspension referred to in paragraph (c) above shall be and is hereby rescinded.

- (d) That upon, and in the event of, a failure by A.T.S. Insurance or by David James Forster to comply with any one of the conditions referred to in paragraphs (c)(i)(ii)(iii) above, then the suspension referred to in paragraph 3(c) above, shall become and is hereby effective immediately thereafter.