

**CAUTION: While the information contained below is public, members should take caution that inappropriate use of this information may be considered to be an act of misconduct.**

**Johnson Inc.  
Registration Number: A1074  
Richmond Hill, Ontario**

**HEARING DATE: December 6, 2007**

**MISCONDUCT: Ont. Reg. 991, ss. 14(1), 15(1)(13)**

**PARTICULARS OF THE COMPLAINT:**

A client went onto the Johnson Inc. website and obtained a quotation for automobile insurance. He later completed an application that indicated he was the principal operator of the vehicle of which there was only one in the household. The secondary operators were his wife and daughter. A policy was produced based on that information.

As part of the issuing process the insurer conducted a search of insurance history and was advised that the applicant had two other vehicles registered to him that were insured elsewhere. The insurer then cancelled the first policy and issued a second policy with a premium based on the daughter being principal operator. The applicant received the revised policy in the mail. According to the applicant it was the first notification that a second policy had been issued and at a considerably higher premium. The applicant stated that he was never asked whether or not there were any other vehicles in his household.

The applicant also advised that no one from Johnson Inc. contacted him with respect to the issuance of the second policy.

Both oral and written discussions took place between employees of Johnson Inc. and the applicant. These employees were not licensed with RIBO but were insurance agents licensed with the Financial Services Commission of Ontario.

**DISCIPLINE COMMITTEE'S DISPOSITION WITH REASONS:**

The issue which the panel had to contend with is that, in pursuing this matter the applicant was in discussions with an out-of-province call centre operated by Johnson Inc. That call centre was staffed by employees who, in this case, were dealing directly with members of the public in Ontario. These individuals were not licensed by RIBO. This is in direct contravention of the RIBO Act, Code of Conduct, section 14(12) of Ont. Reg. 991. Johnson Inc. pleaded guilty to this misconduct.

Due to the foregoing, the Discipline Committee found that there was sufficient evidence in support of the plea of guilty by Johnson Inc. and finds that Johnson Inc. is guilty of misconduct as alleged in the paragraphs under the Particulars of the Complaint, and ordered:

- (a) That Johnson Inc. be reprimanded for their actions.
- (b) That Johnson Inc. pay a fine in the amount of \$5,000.00 by cheque made payable to the Minister of Finance, and to be received by RIBO's office no later than January 6, 2008.