

IN THE MATTER OF the *Insurance Act*, R.S.O. 1990, c.l.8, as amended (the “Act”), in particular sections 288.5 and 288.7;

AND IN THE MATTER OF Parkside Village Therapy Inc.

NOTICE OF PROPOSAL TO REFUSE TO ISSUE LICENCE

TO: Parkside Village Therapy Inc.
520 Curran Place
Mississauga, Ontario

Zainab Ramzan
Principal Representative

TAKE NOTICE THAT pursuant to sections 288.5 and 288.7 of the Act, and by delegated authority from the Chief Executive Officer of the Financial Services Regulatory Authority of Ontario (the “Chief Executive Officer”), **the Director, Litigation and Enforcement (the “Director”)** is proposing to refuse to issue a service provider’s licence to Parkside Village Therapy Inc.

Details of these contraventions and reasons for this proposal are described below. This Notice of Proposal includes allegations that may be considered at a hearing.

SI VOUS DÉSIREZ RECEVOIR CET AVIS EN FRANÇAIS, veuillez nous envoyer votre demande par courriel immédiatement à: contactcentre@fsrao.ca.

YOU ARE ENTITLED TO A HEARING BY THE FINANCIAL SERVICES TRIBUNAL (THE “TRIBUNAL”) PURSUANT TO SECTIONS 288.7(2) AND 288.7(3) OF THE ACT.

A hearing by the Tribunal about this Notice of Proposal may be requested by completing the enclosed Request for Hearing Form (Form 1) and delivering it to the Tribunal within fifteen (15) days after this Notice of Proposal is received by you. The Request for Hearing Form (Form 1) must be mailed, delivered, faxed or emailed to:

Address: Financial Services Tribunal
25 Sheppard Avenue West, 7th Floor
Toronto, Ontario
M2N 6S6

Attention: Registrar

Fax: 416-226-7750

Email: contact@fstontario.ca

TAKE NOTICE THAT if you do not deliver a written request for a hearing to the Tribunal within fifteen (15) days after this Notice of Proposal is received by you, orders will be issued as described in this Notice of Proposal.

For additional copies of the Request for Hearing Form (Form 1), visit the Tribunal's website at www.fstontario.ca

The hearing before the Tribunal will proceed in accordance with the *Rules of Practice and Procedure for Proceedings before the Financial Services Tribunal* ("Rules") made under the authority of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22, as amended. The Rules are available at the website of the Tribunal: www.fstontario.ca. Alternatively, a copy can be obtained by telephoning the Registrar of the Tribunal at 416-590-7294, or toll free at 1-800-668-0128 extension 7294.

At a hearing, your character, conduct and/or competence may be in issue. You may be furnished with further and or other particulars, including further or other grounds, to support this proposal.

REASONS FOR PROPOSAL

I. INTRODUCTION

1. These are reasons for the proposal by the Director to refuse to issue a service provider's licence to Parkside Village Therapy Inc. ("Parkside").
2. The Director has reasonable grounds to believe that Parkside is not suitable for licensing having regard to the circumstances prescribed under the Act. Specifically:
 - a. On two separate applications for licensing, Parkside provided false information to FSRA;
 - b. Parkside and the proposed principal representative failed to provide information as required by the Chief Executive Officer; and
 - c. Parkside's past and current conduct affords reasonable grounds for the belief that Parkside's operations will not be carried out in accordance with the law or with integrity and honesty.

II. BACKGROUND

A. Licensing Application History

The First Application

3. On January 17, 2020, Parkside applied for a service providers licence under the Act ("First Application"), and listed Shakeb Naim ("Naim") as the proposed principal representative.
4. The Articles of Incorporation, dated November 21, 2019, submitted with the First Application listed Naim as the sole director of Parkside. However, the proof of identification for Naim was an Ontario Driver's Licence bearing the name Ahmad S Qayyeumi ("Qayyeumi"). In response to inquiries from FSRA, on February 4, 2020, Naim submitted amended Articles of Incorporation which listed Qayyeumi as its sole director. On May 26, 2020, Naim admitted that he had unlawfully altered the name of the director in the Articles of Incorporation submitted to FSRA on February 4, 2020.
5. On June 18, 2020, FSRA issued a Notice of Proposal to refuse the issuance of a service provider's licence under the Act on the basis that Parkside and Naim submitted false information to FSRA and there were reasonable grounds for the belief that Parkside's operations would not be carried out in accordance with the law or with integrity and honesty. In response, Parkside submitted a Request for Hearing (Form 1), dated June 18, 2020 disputing the Notice of Proposal and requesting a Hearing before the Financial Services Tribunal ("Tribunal").

6. A hearing of this matter was scheduled for March 22, 2021. On the morning of the hearing Parkside advised the Tribunal that they intended to withdraw their request for hearing and the proceedings were adjourned to accommodate same. On March 26, 2021, Parkside formally withdrew the Request for Hearing, and on March 30, 2021, the Tribunal closed its file in this matter. As the Notice of Proposal was no longer being disputed, on April 22, 2021, FSRA issued an Order refusing to issue a service provider's licence to Parkside.

The Second Application

7. On June 7, 2021, less than three (3) months after having withdrawn the request for a hearing on the First Application, Parkside submitted a new application for a service provider's licence under the Act ("Second Application"). The Second Application was made under a different corporate name of "Parkside Therapy" and provided "Zainab Ramzan" as the proposed principal representative.
8. There were a number of inaccuracies in the Second Application, as follows:
 - a. The Corporate Name provided on the Second Application was "Parkside Therapy", while the Articles of Incorporation identify the Corporate name as "Parkside Village Therapy Inc."; and
 - b. The proposed principal representative was identified as "Zainab Ramzan". The passport identification provided was for a different legal name of "Zanib Ramzan" ("Ramzan").
9. The Corporate Profile Report also listed "Zanib Ramzan" as sole director, effective March 23, 2021. The change in director from Naim to Ramzan took place one (1) day after the hearing was adjourned and three (3) days before March 26, 2021 when Parkside formally withdrew the Request for Hearing on the Notice of Proposal to refuse the issuance of a service provider's licence on the First Application.
10. On September 8, 2021, FSRA spoke with Ramzan regarding the discrepancies in the Second Application. Ramzan claimed it was a mistake listing the corporate name as Parkside Therapy instead of Parkside Village Therapy Inc. Further, Ramzan advised that while their legal surname is Zanib, they go by the surname Zanaib. Ramzan also advised FSRA that Naim was not involved in the management of Parkside but remains a massage therapist at the clinic.
11. In an email dated October 24, 2022, FSRA requested further information of Ramzan about their role at Parkside.
12. Neither Ramzan nor Parkside has ever responded to the October 24, 2022 requests for information.

III. GROUNDS FOR REFUSAL TO ISSUE A LICENCE

13. Section 288.5(1) of the Act states that a person or entity who wishes to apply for a service provider's licence shall submit an application to the Chief Executive Officer in the manner required by the Chief Executive Officer and shall give the Chief Executive Officer such information, evidence and material as he or she may require and shall pay the applicable fee.
14. Section 288.5(3)(a) of the Act states that the Chief Executive Officer shall issue a service provider's licence to an applicant who satisfies the prescribed requirements relating to its business systems and practices and the management of its operations,
 - a) unless the Chief Executive Officer believes, on reasonable grounds, that the applicant is not suitable to hold a licence having regard to such circumstances as may be prescribed relating to the applicant's business systems and practices and the management of its operations or having regard to such other matters as the Chief Executive Officer considers appropriate.
15. Pursuant to section 2(2) of Ontario Regulation 348/13, in determining whether an applicant is not suitable to hold a service provider licence, the Chief Executive Officer shall consider whether the previous conduct of the applicant, its directors or its proposed principal representative provide reasonable grounds for the belief that the applicant's business systems and practices and the management of its operations will not be carried on in accordance with the law or with integrity and honesty.
16. Pursuant to section 2(5) of Ontario Regulation 348/13, the Chief Executive Officer shall consider whether the applicant, employee, agent or contractor of the applicant, its directors or its proposed principal representative has made a false statement or had provided false or deceptive information to the Chief Executive Officer with respect to the application for a licence or in response to a request for information by the Chief Executive Officer or by a person designated by the Chief Executive Officer.
17. On the First Application, the principal representative and sole director of Parkside, Naim, provided false information to FSRA by altering the Parkside Articles of Incorporation and submitting them to FSRA staff, contrary to section 2(5) of Ontario Regulation 348/13.
18. One day after notifying the Tribunal of their intention to withdraw the request for a hearing appealing FSRA's refusal to issue a licence on the First Application, Parkside replaced Naim as director with Ramzan.
19. Within three months of the First Application being refused, Parkside submitted the Second Application with Ramzan as director and proposed principle representative. Ramzan provided false information to FSRA, being an incomplete corporate name and incorrect spelling of their legal name on the Second Application, contrary to section 2(5) of Ontario Regulation 348/13. Further, Parkside failed to provide information to the CEO in response to inquiries about Ramzan's involvement and management of Parkside, contrary to section 288.5(1) of the Act.
20. The service provider licensing regime was implemented as a part of the Ontario government's commitment to tackle fraud in the auto insurance sector. A service

provider licence is required to receive payments directly from auto insurers through the Health Claims for Auto Insurance (“HCAI”) system. An unlicensed entity must bill claimants directly for services rendered, who then submit the claims to their own insurer.

21. FSRA maintains the health service provider licensing system to increase the efficiency of insured health services and prevent fraud in the HCAI system, consistent with its public protection mandate. However, a licence refusal does not prevent Parkside from providing health services. It merely prevents Parkside from billing insurers directly through the HCAI system.
22. The submission of false information and the failure to provide information to FSRA in the licensing application process provides reasonable grounds for the belief that Parkside’s operations will not be carried out in accordance with the law or with integrity and honesty.
23. Truthful and complete disclosure by licensees and their representatives is essential to FSRA’s ability to effectively regulate the health service provider sector. In addition, FSRA relies upon the information provided by licence applicants in order to assess their suitability to become licensees. The provision of false information and failure to provide information by prospective licensees impede FSRA’s ability to effectively regulate the use of the HCAI system and undermines public confidence in the regulated sectors.
24. As such, the Director has reasonable grounds for the belief that Parkside’s operations will not be carried out in accordance with the law or with integrity and honesty. For these reasons, the Director proposes to refuse the service provider licence application of Parkside.
25. Such further and other reasons as may come to my attention.

DATED at Toronto, Ontario, April 5, 2023

Elissa Sinha
Director, Litigation and Enforcement

By delegated authority from the Chief Executive Officer