
IN THE MATTER OF the *Insurance Act*, R.S.O. 1990, c. I.8, as amended (the “Act”), in particular sections 441, 441.2 and 441.3;

AND IN THE MATTER OF Pinyatas Lounge Inc. (“Pinyatas”).

**COMPLIANCE ORDER and
ORDER IMPOSING ADMINISTRATIVE PENALTIES**

Pinyatas is an Ontario corporation and is registered to Sobenna Green. Pinyatas is not and never has been licensed under the Act.

On November 4, 2022, 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”) issued a Notice of Proposal as follows:

- to make a compliance order requiring Pinyatas to cease charging a premium allowance or fee other than as stipulated in a contract of insurance; and
- to impose an administrative penalty on Pinyatas in the amount of \$20,000 for charging unstipulated fees, contrary to subsection 1(8) of O. Reg. 7/00.

The Notice of Proposal was delivered to Pinyatas on November 22, 2022. Sections 441(3) and 441.3(5) of the Act provide that any person on whom a Notice of Proposal is delivered has fifteen (15) days after the Notice of Proposal is received to request a hearing by the Financial Services Tribunal (the “Tribunal”).

On February 1, 2023, the Assistant Registrar of the Tribunal confirmed that Pinyatas did not request a hearing by the Tribunal in accordance with sections 441(3) and 441.3(5) of the Act. Therefore pursuant to sections 441(7) and 441.3(7) of the Act, the Director makes the following order.

ORDER

An administrative penalty in the amount of \$20,000 is hereby imposed on Pinyatas Lounge Inc. for the reasons set out in the Notice of Proposal.

For the reasons set out in the Notice of Proposal, it is hereby ordered that Pinyatas Lounge Inc. cease charging a premium allowance or fee other than as stipulated in a contract of insurance.

TAKE NOTICE THAT the Financial Services Regulatory Authority of Ontario will deliver an invoice to Pinyatas Lounge Inc. with information as to where and how to pay the administrative penalty. Pinyatas Lounge Inc. must pay the administrative penalty no later than thirty (30) days after the order is issued.

If Pinyatas Lounge Inc fails to pay the administrative penalty in accordance with the terms of this Order, the Chief Executive Officer may file the Order with the Superior Court of Justice and the Order may be enforced as if it were an order of the court. An administrative penalty that is not paid in accordance with the terms of the order imposing the penalty is a debt due to the Crown and is enforceable as such.

DATED at Toronto, Ontario, February 8, 2023

Elissa Sinha
Director, Litigation and Enforcement

By delegated authority from the Chief Executive Officer

Si vous désirez recevoir cet avis en français, veuillez nous envoyer votre demande par courriel immédiatement à : contactcentre@fsrao.ca.