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**IN THE MATTER OF** the *Insurance Act*, R.S.O. 1990, c.I.8, as amended (the “Act”), in particular sections 392.4 and 407.1;

**AND IN THE MATTER OF** Maurice Aziz.

**NOTICE OF PROPOSAL TO REFUSE TO RENEW LICENCE**

**TO:** Maurice Aziz

**TAKE NOTICE THAT** pursuant to sections 392.4 and 407.1 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 renew the life insurance agent licence issued to **Maurice Aziz**. The reasons for this proposal are described below.

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](mailto:contactcentre@fsrao.ca).

**YOU ARE ENTITLED TO A HEARING BY THE FINANCIAL SERVICES TRIBUNAL (THE “TRIBUNAL”) PURSUANT TO SECTIONS 407.1(2) AND 407.1(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, 7<sup>th</sup> Floor  
Toronto, Ontario  
M2N 6S6

Attention: Registrar

Fax: 416-226-7750

Email: [contact@fstontario.ca](mailto: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](http://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](http://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 renew the insurance agent licence issued to Maurice Aziz (Aziz).

### II. BACKGROUND

#### A. Overview

2. Aziz has been licensed continuously as a life and accident & sickness insurance agent (licence # 94024335) under the Act since 1994.
3. On May 31, 2019, the Ontario Securities Commission (the “OSC”) issued a statement of allegations which alleged that Aziz and Global Bioenergy Resources Inc. (GBR Ontario), a private Ontario company for which Aziz was an officer and director, engaged in unregistered trading and illegal distribution under the *Securities Act*, between May and December 2015. GBR Ontario was never a registrant under Ontario securities law.
4. On September 15, 2022, following a hearing, the Capital Markets Tribunal determined that Aziz was guilty of fraudulent conduct when he breached the *Securities Act*. On June 22, 2023, the Capital Markets Tribunal issued an Order (the “Penalty Decision”) against Aziz, GBR Ontario and others, imposing a permanent ban on trading, large administrative penalties, costs, and large disgorgement orders.
5. Aziz made material misstatements and omissions on an application for a licence submitted to FSRA dated August 9, 2023 (the “2023 Application”).

### III. Suitability Issues

#### B. Fraudulent Activity in the Capital Markets

6. In May 2019, the OSC issued a Statement of Allegations detailing that Aziz and GBR Ontario had engaged in fraudulent activity by making unqualified promises to investors and that Aziz and GBR Ontario were reckless about whether those promises could be kept. Aziz and GBR Ontario were represented by counsel at a hearing before the Capital Markets Tribunal that took place over 35 days from October 2020 to April 6, 2021.
7. On September 15, 2022, the Capital Markets Tribunal issued a decision (the “Merits Decision”) finding that, between May to December 2015, GBR Ontario and Aziz engaged in the business of trading debentures without being registered. The Capital Markets Tribunal found that the sales efforts were repeated and

continuous, they were compensated or expected to be compensated for their efforts and some of the activities resembled those of a securities dealer. It was also found that Aziz and GBR Ontario perpetuated securities fraud by putting the investor funds raised to uses that had not been disclosed to investors.

8. Aziz has filed an appeal of the findings of the Capital Markets Tribunal with an expected hearing date in June 2024.

### **C. Civil Judgment against the Applicant**

9. On July 5, 2023, the Order with respect the monetary penalties, disgorgement and costs issued by the Capital Markets Tribunal against Aziz and others was issued in the Superior Court of Justice (CV-23-00702452-0000) as an enforceable Order.

### **D. The 2023 Application to Renew the Licence**

10. Aziz submitted bi-annual renewal applications to FSRA. In the 2023 Application, Aziz omitted material information.
11. Aziz submitted the 2023 Application approximately 9 months after being found liable for regulatory misconduct by the Capital Markets Tribunal, two months after being sanctioned and one month after the Order was issued in the Superior Court. In response to the question on the application of whether or not the Applicant had been the subject of discipline, the Applicant simply answered “OSC”. Further, Aziz did not disclose that he had unsatisfied judgments.
12. Aziz swore to have truthfully answered all the questions, and certified he understood that “providing false, misleading or incomplete information may be sufficient grounds to reject the application or revoke a licence.

## **IV. GROUNDS FOR REFUSING TO RENEW THE LICENCE**

13. Section 392.4(1) states that the Chief Executive Officer shall issue a licence to act as an insurance agent in Ontario to an applicant who applies in accordance with section 392.3 and who satisfies the prescribed requirements for the licence unless the Chief Executive Officer believes, on reasonable grounds, that the applicant is not suitable to be licensed having regard to such circumstances as may be prescribed and such other matters as the Chief Executive Officer considers appropriate.
14. Section 4 of Ontario Regulation 347/04, subsections (a) and (i) respectively, provides that an applicant for a licence shall be granted a licence if the Chief Executive Officer is satisfied that the application is of good character and reputation, and is otherwise suitable to receive a licence.
15. FSRA assesses suitability keeping in mind that the purpose of licensing is to ensure that consumers receive competent and ethical insurance brokering

services from those licensed to participate in the industry. When FSRA issues a licence, it is considered a public endorsement that the licensee can serve as a trusted advisor to their clients who often rely on their insurance agents when making important financial decisions that can have a significant impact on their lives and well-being. An applicant who has been found guilty of fraudulent acts is not trustworthy and should not be given the regulator's public endorsement. Further, when Applicants provide material misstatements and omissions on applications, they prevent FSRA from performing its gatekeeping function to assess who is eligible for a licence.

16. There are reasonable grounds for the belief that Aziz is not suitable to be licensed because he was found to have engaged in fraud, and other misconduct, by the Capital Markets Tribunal in 2022 and made material misstatements and omissions on applications to renew his licence in 2023.
17. Such further and other reasons as may come to my attention.

**DATED** at Toronto, Ontario, May 2, 2024.

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Elissa Sinha  
Director, Litigation and Enforcement

By delegated Authority from the Chief Executive Officer