

FSRAFinancial Services Regulatory
Authority of Ontario**ARSF**Autorité ontarienne de réglementation
des services financiers

IN THE MATTER OF the *Insurance Act*, R.S.O. 1990, c.l.8, as amended (the “Act”), in particular section 441;

AND IN THE MATTER OF Assureway Protection Corporation;

AND IN THE MATTER OF Shiraz Hussain.

NOTICE OF PROPOSAL TO IMPOSE COMPLIANCE ORDER

TO: Assureway Protection Corporation

AND TO: Shiraz Hussain

TAKE NOTICE THAT pursuant to section 441 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 & Enforcement, (the “Director”) has made a report, attached as Schedule “A” (the “Report”), and is proposing to order Assureway Protection Corporation (“Assureway Protection”) to immediately:

- (i) cease engaging in any insurance business in Ontario;
- (ii) cease issuing any insurance products, including products similar to Assureway Protection’s “TruGap Protection” product and any other GAP products;
- (iii) cease holding itself out to consumers as being authorized to offer insurance products directly or indirectly;
- (iv) cease collecting premiums for the sale of GAP insurance products;
- (v) cease advertising, soliciting, or offering any services related to insurance products including, but not limited to, removing all references to GAP insurance products being offered by Assureway Protection from its website and all public relations materials;
- (vi) notify in writing all motor vehicle dealers that have sold Assureway Protection products that Assureway Protection is not authorized to provide insurance, including GAP products, and that its GAP products are not underwritten by an insurer; and

- (vii) provide all motor vehicle dealers that have sold Assureway Protection products of any orders and interim orders made against it.

TAKE FURTHER NOTICE THAT pursuant to section 441 of the Act, and by delegated authority from the Chief Executive Officer, the Director has made the Report, and is proposing to order Shiraz Hussain to immediately:

- (i) cease engaging in any insurance business in Ontario;
- (ii) cease involvement in the sale of insurance products, insurance brokering, administration of claims, or underwriting of insurance products, including GAP products, directly or indirectly; and
- (iii) report to FSRA any involvement, interest, or positions held in companies or entities offering insurance products, including GAP products.

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 SECTION 441(5) 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, ON, 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 the reasons for the proposal by the Director to impose compliance orders on Assureway Protection Corporation (“Assureway Protection”) and Shiraz Hussain (“Hussain”).

II. BACKGROUND

(a) The Parties

2. Assureway Protection was federally incorporated in 2022 and is located in Ontario.
3. AssureWay Corporation, carrying on business as Assureway Insurance (“AssureWay Insurance”), was a related business and a licensed corporate insurance agency.
4. In or around 2022, AssureWay Insurance ceased operations. Assureway Protection was created and assumed the business of AssureWay Insurance.
5. Hussain is the sole officer and director of Assureway Protection. Hussain is a director and officer of AssureWay Insurance and has been a director since 2013.
6. Assureway Protection has never been licensed as an insurer or in any other capacity under the Act.

(b) Undertaking and Minutes of Settlement from AssureWay Insurance

7. AssureWay Insurance previously offered GAP-like insurance products to consumers through motor vehicle dealers.

8. GAP insurance is intended to protect consumers if they can no longer use their vehicle due to theft, an accident, or mechanical defect. It generally covers the financial shortfall between the amount remaining on a vehicle loan and the vehicle's actual cash value. GAP products are often sold with vehicle purchases at a motor vehicle dealership.
9. GAP insurance is a type of property insurance under section 43 of the Act and requires an insurance licence under the Act to be sold.
10. On or about August 9, 2016, AssureWay Insurance signed an Undertaking with the Financial Services Commission of Ontario ("FSCO"), FSRA's predecessor regulator over insurance. AssureWay Insurance undertook to immediately cease offering a GAP-like insurance product called the Product Equity Loss Protection Program (the "Program"), and any similar or equivalent products, unless underwritten by a licensed insurer.
11. FSCO issued a Notice of Proposal on November 30, 2016, to require AssureWay Insurance to cease and desist from offering the Program and to take remedial action. On or about December 22, 2017, AssureWay Insurance and FSCO entered into Minutes of Settlement. Hussain witnessed the signature made by another director of AssureWay Insurance.
12. In the Minutes of Settlement, AssureWay Insurance:
 - a. agreed that it would not restart sale of the Program, or offer any similar or equivalent benefit coverage, not underwritten by a licensed property and casualty insurer;
 - b. undertook to stop promoting the Program via motor vehicle dealers, the internet, including its own website, or otherwise, including any form of advertisement or solicitation; and
 - c. agreed to offer GAP insurance only through Lloyd's of London ("Lloyd's"), a licensed insurer, to stop dealership-based sales/advertising, transfer existing coverage to Lloyd's, and to use licensed intermediaries to distribute.

(c) Relationship with Lloyd's

13. As of 2020, Lloyd's stopped providing coverage for GAP product offered through AssureWay Insurance.
14. Lloyd's never underwrote any Assureway Protection GAP product.

(d) Complaints

15. From late 2025 to date, FSRA received numerous complaints from consumers asserting that claims on their GAP products with Assureway Protection were being ignored, denied, or deemed invalid. These complaints also included consumers from other provinces.

16. In the product documents, the GAP products purported to be underwritten by Lloyd's.
17. When consumers contacted Assureway Protection about their claims, some were advised that the company was reviewing its operations and financial position. Assureway Protection also indicated that it was "self-insured."
18. Without being licensed as an insurer, there is an increased risk that Assureway Protection may be unable to meet its financial obligations to consumers.
19. FSRA's investigation into the activities of Assureway Protection and Hussain is ongoing.

III. CONTRAVENTIONS OR FAILURES TO COMPLY WITH THE ACT

(a) Unlicensed Activity

20. Section 40(1) of the Act states that every insurer undertaking insurance in Ontario or carrying on business in Ontario is required to have a licence.
21. Section 40(2) of the Act states that no person can carry on business as an insurer or engage in an act constituting the business of insurance in Ontario without a licence.
22. Section 40(5) of the Act provides for exemptions from the requirement to be licensed. Assureway Protection does not qualify for any exemptions.
23. The Director is satisfied that Assureway Protection is not licensed under the Act and that the GAP product that Assureway Protection sold to consumers are insurance for the purposes of the Act.
24. The Director is also satisfied that the GAP products offered by Assureway Protection to consumers constituted carrying on the business of insurance in Ontario.

(b) Unfair or Deceptive Act or Practice

25. Further, section 439 of the Act states that no person shall engage in an unfair or deceptive act or practice ("UDAP").
26. Sections 2(2)(i)(a) and 2(2)(ii) of the Unfair or Deceptive Acts or Practices Rule ("UDAP Rule") provide that actions committed by directors, officers, employees and others who could reasonably expect that their conduct could result in a UDAP, are a UDAP.
27. Section 3(1) of the UDAP Rule states that the commission of any act prohibited under the Act, or under any regulation or Authority rule made under the Act, is a UDAP. This includes a contravention of section 40(2) of the Act.

28. Further, section 8(1) of the UDAP Rule provides that it is a UDAP to provide a recipient with information that is misleading with respect to the terms, benefits or advantages of an insurance contract, or of the claims process.
29. The Director is satisfied that Assureway Protection and Hussain have committed UDAPs by selling GAP products without a licence, misrepresenting that they were underwritten by Lloyd's when they were not, and misrepresenting the terms of the contracts to consumers.

IV. GROUNDS FOR IMPOSING COMPLIANCE ORDER

30. Section 441(1) of the Act provides that upon examination or investigation, or upon any other evidence, the Chief Executive Officer shall make a report if they are of the opinion that a person has committed or is committing any act, or has pursued or is pursuing any course of conduct, that is an unfair or deceptive act or practice or might reasonably be expected to result in a state of affairs that would constitute an unfair or deceptive act or practice.
31. Section 441(2)(a) of the Act provides that the Chief Executive Officer may order the person identified in the report to cease or refrain from doing any act or pursuing any course of conduct identified by the Chief Executive Officer, after giving notice in writing.
32. Given the evidence described in Schedule "A" to this Notice of Proposal, the Director is of the opinion that Assureway Protection and Hussain have committed acts or pursued courses of conduct that constitute UDAPs, or might reasonably be expected to result in a state of affairs that would constitute UDAPs, under the Act.
33. Specifically, Assureway Protection sold GAP products when not licensed to do so and misrepresented GAP products to consumers. They have done so knowingly and despite past enforcement action and contrary to commitments made in the Minutes of Settlement.
34. The complaints from consumers are ongoing since late 2025 and affect multiple consumers across numerous provinces.
35. Accordingly, the Director is further satisfied that Assureway Protection and Hussain will continue to engage in activities that will result in UDAPs if the proposed orders are not issued.
36. The orders are appropriate to protect the public, insurers, and maintain confidence in the regulatory regime under the Act.
37. The Director is therefore satisfied that there are sufficient grounds to impose the compliance orders described in this Notice of Proposal.

DATED at Toronto, Ontario,

Elissa Sinha
Director, Litigation and Enforcement

By delegated Authority from the Chief Executive Officer

SCHEDULE "A"
REPORT OF THE CHIEF EXECUTIVE OFFICER

I. INTRODUCTION

1. The Director, by delegated authority from the Chief Executive Officer, is of the opinion that Assureway Protection Corporation ("Assureway Protection") and its sole director, Shiraz Hussain ("Hussain"), are committing acts or pursuing a course of conduct that constitutes an unfair or deceptive act or practice ("UDAP") under the Act.
2. This is the Director's report pursuant to section 441 of the Act.

II. FACTS

3. The Director is satisfied of the facts as outlined in the Notice of Proposal above.
4. Assureway Protection is not a licensed insurer in Ontario nor is it eligible for an exemption from licensing. However, it still issued and sold GAP products to consumers through motor vehicle dealers.
5. The GAP products that Assureway Protection sold to consumers are insurance for the purposes of the Act and offering them to consumers constituted carrying on the business of insurance in Ontario.
6. Some consumer claims to Assureway Protection under the GAP products have been ignored, denied or deemed to be not valid despite apparent compliance with the terms of the products. Consumers are being advised that the company is reviewing its operations and financial position.

III. UNFAIR OR DECEPTIVE ACTS OR PRACTICES

7. Section 439 of the Act states that no person shall engage in a UDAP. Section 438 of the Act defines a UDAP as any activity or failure to act that is prescribed by the Authority rules as a UDAP.
8. Every insurer carrying on business in Ontario is required by section 40(1) to have a licence. Pursuant to section 40(2), no one can carry on business or engage in an act constituting the business of insurance in Ontario without a licence.
9. Some entities or people are exempt from the requirement to be licensed. Assureway Protection does not qualify for any exemption.
10. The GAP products that Assureway Protection sold to consumers is insurance for the purposes of the Act, and offering it to consumers constituted carrying on the business of insurance in Ontario.
11. The Director is satisfied that Assureway breached section 40(2) of the Act by carrying on the business of insurance in Ontario without the required licence, thereby violating section 3(1) of the UDAP Rule.
12. Further, the Director is satisfied that Assureway Protection provided GAP products to consumers that appeared to be underwritten by Lloyd's when they were not. By misrepresenting that Lloyd's was affiliated with their products, Assureway Protection committed a misrepresentation in violation of section 8(1) of the UDAP Rule.
13. Accordingly, the Director is of the opinion that Assureway Protection committed UDAPs and should be ordered to immediately:
 - (i) cease engaging in any insurance business in Ontario;
 - (ii) cease issuing any insurance products, including products similar to Assureway Protection's "TruGap Protection" product and any other GAP products;
 - (iii) cease holding itself out to consumers as being authorized to offering insurance products directly or indirectly;
 - (iv) cease collecting premiums for the sale of GAP insurance products;
 - (v) cease advertising, soliciting, or offering any services related to insurance products including, but not limited to, removing all references to GAP insurance products being offered by Assureway Protection from its website and all public relations materials;
 - (vi) notify in writing all motor vehicle dealers that have sold Assureway Protection products that Assureway Protection is not authorized to provide

insurance, including GAP products, and that its GAP products are not underwritten by an insurer; and

- (vii) provide all motor vehicle dealers that have sold Assureway Protection products of any orders and interim orders made against it.
14. The Director is also of the opinion that Hussain, on behalf of Assureway Protection, committed unfair or deceptive acts or practices and should be ordered to immediately:
- (i) cease engaging in any insurance business in Ontario;
 - (ii) cease involvement in the sale of insurance products, insurance brokering, administration of claims, or underwriting of insurance products, including GAP products, directly or indirectly; and
 - (iii) report to FSRA any involvement, interest, or positions held in companies or entities offering insurance products, including GAP products.