

STATE OF NEW YORK : DEPARTMENT OF HEALTH  
STATE BOARD FOR PROFESSIONAL MEDICAL CONDUCT

**IN THE MATTER**  
**OF**  
**INFINITY MEDICAL P.C.**

**CONSENT  
AGREEMENT  
AND  
ORDER**

BPMC NO. 02-381

The Respondent, Infinity Medical P.C., says:

The Respondent is a professional service corporation duly authorized by the filing of its certificate of incorporation with the Department of State on May 9, 2001 to practice medicine in the State of New York pursuant to Article 15 of the Business Corporation Law.

The Respondent is subject to the jurisdiction of the State Board for Professional Medical Conduct, and the prehearing and hearing procedures of Title II-A of Article 2 of the New York Public Health Law, pursuant to Section 1503(d) of the New York Business Corporation Law.

The Respondent is applying to the State Board for Professional Medical Conduct for a Consent Agreement and Order imposing a penalty, pursuant to Section 230-a of the Public Health Law and Section 1503(d) of the Business Corporation Law, of annulment of its certificate of incorporation such that the annulment shall be effective immediately and shall be self-executing, and this Consent Agreement and Order shall be deemed automatically to be the final and operative document annulling the Respondent's certificate

of incorporation, and the Respondent requests that the Board issue this Consent Agreement and Order.

The Respondent acknowledges that it has been charged with professional misconduct as set forth in the Statement of Charges, annexed hereto, made a part hereof, and marked as Exhibit "A."

Subject to the terms, conditions and limitations of this Consent Agreement and Order, the Respondent does not contest the allegations and specification set forth in the First Specification of the Statement of Charges in full satisfaction of all such allegations and specifications.

The Respondent agrees that, in the event the State Board for Professional Medical Conduct agrees with its proposal, this Consent Agreement and Order shall be issued annulling its certificate of incorporation. The Respondent agrees that such annulment shall be effective immediately and shall be self-executing, and this Consent Agreement and Order shall be deemed automatically to be the final and operative document annulling the Respondent's certificate of incorporation. The Respondent agrees, notwithstanding the above, nothing herein shall be construed to absolve the Respondent in any way from paying to the Departments of State, Education, and Taxation and Finance any outstanding taxes, fines and penalties.

In addition, the Respondent agrees that this Consent Agreement and Order shall be effective upon issuance by the Board, which may be accomplished by mailing, by first class mail, a copy of this Consent Agreement and Order to H. Harry Montazem, M.D., 11 Cabernet Court, Coram, New York 11727.

The Respondent agrees that in the event it is charged with professional misconduct

in the future for violation or non-compliance with any provision of this Consent Agreement and Order, or in the event that it is charged with professional misconduct in the future for any other type of misconduct, this Consent Agreement and Order shall be admitted into evidence in that proceeding.

The Respondent acknowledges that, in the event that this proposed agreement is not granted by the State Board for Professional Medical Conduct, nothing contained herein shall be binding upon it or construed to be an admission of any act of misconduct alleged or charged against it, such proposed agreement shall not be used against it in any way, and shall be kept in strict confidence during the pendency of the professional misconduct disciplinary proceeding; and such denial by the State Board for Professional Medical Conduct shall be made without prejudice to the continuance of any disciplinary proceeding and the final determination by a Committee on Professional Medical Conduct pursuant to the provisions of the Public Health Law.

The Respondent is making this application of its own free will and accord and not under duress, compulsion or restraint of any kind or manner. In consideration of the value to it of the acceptance by the Board of this application allowing it to resolve this matter without the various risks and burdens of a hearing on the merits, the Respondent knowingly waives any right it may have to contest, whether administratively or judicially, the Consent Agreement and Order issued hereunder for which it hereby applies and the respondent asks that the application be granted.

The Respondent is making this application through H. Harry Montazem, M.D., who is the President and Sole Shareholder of the Respondent. The Respondent and Dr. Montazem warrant that he has the necessary corporate authority to enter into this Consent



STATE OF NEW YORK : DEPARTMENT OF HEALTH  
STATE BOARD FOR PROFESSIONAL MEDICAL CONDUCT

**IN THE MATTER**  
**OF**  
**INFINITY MEDICAL P.C.**

ORDER

Upon the proposed Consent Agreement and Order of Infinity Medical P.C. (the Respondent), which proposed agreement is made a part hereof, it is AGREED TO and

ORDERED, that the Respondent's certificate of incorporation, which was filed by the Department of State on May 9, 2001, is hereby annulled such that the annulment shall be effective immediately and shall be self-executing, and this Order shall be deemed automatically to be the final and operative document annulling the Respondent's certificate of incorporation.

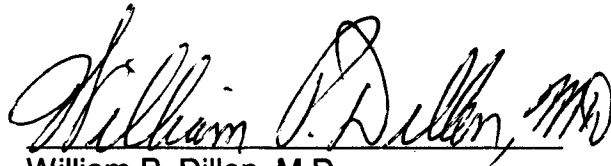
ORDERED, that the proposed agreement and the provisions thereof, are hereby adopted; it is further

ORDERED, that this Order shall be effective upon issuance by the Board, which may be accomplished by mailing, by first class mail, a copy of this Consent Agreement and Order to the Respondent in care of H. Harry Montazem, M.D., 11 Cabernet Court,

Coram, New York 11727.

DATED: \_\_\_\_\_

12/16/02

A handwritten signature in black ink, reading "William P. Dillon, M.D." with a stylized flourish at the end.

William P. Dillon, M.D.

Chair

State Board for Professional  
Medical Conduct

**EXHIBIT A**

STATE OF NEW YORK : DEPARTMENT OF HEALTH  
STATE BOARD FOR PROFESSIONAL MEDICAL CONDUCT

**IN THE MATTER**  
**OF**  
**INFINITY MEDICAL P.C.**

STATEMENT  
OF  
CHARGES

The Respondent, Infinity Medical P.C., is a professional service corporation duly authorized to practice medicine in the State of New York pursuant to Article 15 of the Business Corporation Law.

The Respondent is subject to the jurisdiction of the State Board for Professional Medical Conduct, and the prehearing and hearing procedures of Title II-A of Article 2 of the New York Public Health Law, pursuant to Section 1503(d) of the New York Business Corporation Law.

**ALLEGATIONS**

A. A professional service corporation may be organized by one or more individuals who are duly authorized by law to render the same professional service, pursuant to Section 1503(a) of the New York Business Corporation Law.

B. In or about May 2001, H. Harry Montazem, M.D., was an individual who was duly authorized by law to practice medicine, and was therefore duly authorized to organize, if he so chose, a professional medical corporation in compliance with Section 1503(a) of the New York Business Corporation Law.

C. In or about May 2001, a person known as "Irenia" and another person known to be her husband, neither of whom was a physician, approached Dr. Montazem, told him they wanted to open up a medical clinic, and asked him if he would be interested in working at the medical clinic two days a week.

D. Dr. Montazem replied that he would agree to work at the medical clinic part-time.

E. Irenia and her husband then asked Dr. Montazem if he would be interested in establishing the medical clinic under his own name.

F. Dr. Montazem said, "No, I don't want you to put it under my name."

G. In response, Irenia and her husband represented to Dr. Montazem that they still needed him to be the clinic's "medical director," and represented to Dr. Montazem that they needed him to sign an "employment contract."

H. Irenia and her husband subsequently represented to Dr. Montazem that they were presenting to him an "employment contract" that required his signature, and on or about April 26, 2001, Dr. Montazem signed the document believing that it was an "employment contract."

I. In reality, the document was not an employment contract, but was a certificate of incorporation for the Respondent, Infinity Medical P.C.

J. On or about May 9, 2001, Irenia and her husband filed, or caused to be filed, the fully executed certificate of incorporation with the New York State Department of State, and therefore Irenia and her husband organized the Respondent, or caused the Respondent to be organized, as a professional medical corporation.

K. According to the certificate of incorporation, Dr. Montazem was the



physician who, in compliance with Sections 1503(a), 1507, and 1508 of the New York Business Corporation Law, was the sole shareholder and sole director of the Respondent.

L. At that time, Dr. Montazem did not know what the implications of signing the document were. He did not consider himself a shareholder or director, he did not receive any stock certificates, he did not receive any dividends, and he did not control any of the professional medical corporation's accounts or business affairs. It was not until after approximately one year of working in the medical clinic and being confronted by an insurance company representative about the Respondent's ownership that Dr. Montazem realized he had been deceived into establishing a professional medical corporation in his own name.

M. Even though the Respondent continues to be technically authorized to practice medicine as a professional medical corporation, Dr. Montazem never intended to organize the Respondent, or to cause the Respondent to be organized, as a professional medical corporation.

N. Further, no person duly authorized to practice medicine ever organized the Respondent, or caused the Respondent to be organized, as a professional medical corporation.


O. From the time Irenia and her husband initially filed the certificate of incorporation with the Secretary of State on May 9, 2001, the Respondent was not in compliance with Section 1503(a) of the New York Business Corporation Law; and yet the Respondent allowed the status quo to remain in effect. The Respondent, therefore, willfully failed to comply with the requirements of Section 1503(a) of the New York Business Corporation Law.

**SPECIFICATION OF CHARGES**

The Respondent is charged with professional misconduct by reason of a WILLFULLY FAILING TO COMPLY WITH SECTION 1503 OF THE BUSINESS CORPORATION LAW, in violation of the third undesignated clause set forth in New York Education Law §6530(12), in that Petitioner charges:

1. The factual allegations in paragraphs A, B, C, D, E, F, G, H, I, J, K, L, M, N, and O.

DATED: *November 14*, 2002  
Albany, New York

  
PETER D. VAN BUREN  
Deputy Counsel  
Bureau of Professional  
Medical Conduct