
IN THE MATTER OF the *Insurance Act*, R.S.O. 1990, c. I.8, as amended (the “Act”), in particular sections 392.5 and 407.1;

AND IN THE MATTER OF Cheng (Kevin) Qi

MINUTES OF SETTLEMENT AND UNDERTAKING

PART I – INTRODUCTION

1. Cheng (Kevin) Qi (“Qi”) is licensed as a Life Insurance and Accident and Sickness Agent (licence number #17157275). His license is scheduled to expire on May 12, 2025.
2. On July 31, 2024, the Director, Litigation and Enforcement (the “Director”), by delegated authority from the Chief Executive Officer (“CEO”) of the Financial Services Regulatory Authority of Ontario (“FSRA”), issued a Notice of Proposal in respect of Qi (the “NOP”).
3. Qi disputed the allegations and, on or about August 9, 2024, requested a hearing before the Financial Services Tribunal (the “Tribunal”) in respect of the NOP.
4. Qi and the Director, by delegated authority from the CEO, (collectively the “Parties”) wish to resolve this matter on consent and without a hearing before the Tribunal.

PART II – AGREED FACTS

5. Junwei Feng (“Feng”) is presently unlicensed. Feng was previously licensed as a Life Insurance and Accident and Sickness Agent between December 17, 2009, and December 16, 2019.
6. “JKR” is a resident of Ontario.
7. Feng helped Qi set up his insurance login credentials. Subsequently, Qi failed to change his passwords.

8. As a result, between 2019 and 2020, Feng was able to use Qi's login credentials to engage in a series of actions in JKR's account without the knowledge or consent of JKR:
 - (i) Feng purchased a life insurance policy on JKR's behalf;
 - (ii) Feng made changes to a life insurance policy belonging to JKR; and
 - (iii) Feng arranged for payments to be made to Sun Life Financial on JKR's behalf.

PART III – NON-COMPLIANCE WITH THE ACT

9. By engaging in the conduct described above in Part II, Qi admits and acknowledges that he has demonstrated incompetence and untrustworthiness to transact the insurance agency business for which his license has been granted, as contemplated by subsection 8(d) of Ontario Regulation 347/04.
10. As a result of this non-compliance, Qi admits that he is no longer suitable to be licensed under the Act, as contemplated by subsection 392.4(1) of the Act

PART IV – TERMS OF SETTLEMENT

11. Qi admits the facts contained in Part II of these Minutes of Settlement and Undertaking ("Minutes").
12. Qi acknowledges and agrees that he has been given the opportunity to seek independent legal advice and he has done so (or have waived the right to do so) and is entering into these Minutes voluntarily, understanding the consequences of doing so.
13. Qi acknowledges that these Minutes are an undertaking within the meaning of the Act, and that failure to comply may result in immediate regulatory action including, but not limited to, the issuance of a Notice of Proposal to revoke the licence, a Notice of Proposal to impose an administrative penalty, or a prosecution under the *Provincial Offences Act*.
14. Effective January 6, 2025, Qi surrendered his license.
15. Qi undertakes and agrees that he shall not re-apply for a license under the Act for a period of five years from the date of these Minutes.

(a) Process for Execution of Settlement

16. Qi acknowledges that these Minutes are not binding on the Director until signed by the Director.
17. These Minutes may be executed in counterparts, and may be executed and delivered by facsimile or e-mail, and all such counterparts and facsimiles or e-mails, as applicable, shall together constitute one and the same agreement.
18. Upon receiving an executed copy of these Minutes from FSRA, Qi will withdraw his Request for Hearing (Form 1) in respect of the NOP before the Tribunal by completing a Withdrawal/Discontinuance (Form 5) and filing it with the Registrar at the Tribunal within two business days.
19. The Parties accept and understand that these Minutes and any rights within the Minutes shall enure to the Parties and to any successors or assigns of the Parties.

(b) Disclosure of Minutes

20. The Parties will keep the terms of these Minutes confidential until the Minutes are signed by all parties, except that:
 - (i) The Director shall be permitted to disclose the Minutes within FSRA; and
 - (ii) The Parties shall be permitted to inform the Financial Services Tribunal.
21. If either of the Parties do not sign these Minutes:
 - (i) These Minutes and all related discussions and negotiations will be without prejudice to FSRA and Qi; and
 - (ii) FSRA and Qi will each be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations contained in the NOP. Any proceedings, remedies and challenges will not be affected by these Minutes or any related discussions or negotiations.
22. Qi agrees that these Minutes form part of their administrative record for the purposes of any future licensing decision or as an aggravating factor in respect of a future administrative penalty or prosecution against them or any affiliated entities.
23. Qi acknowledges that these Minutes are public and will be published by FSRA on its public website (or that of its successor) along with a press release that summarizes these Minutes.
24. The Parties agree not to make representations to any member of the public or media or in a public forum that are inconsistent with these Minutes.

(c) Further Proceedings

25. Qi will not use, in any proceeding, these Minutes or the negotiation or process of approval of these Minutes as the basis for any attack on FSRA's jurisdiction, alleged bias, alleged unfairness, or any other remedies or challenges that may be available.
26. Upon execution of these Minutes by both Parties:
- (i) Qi waives all rights to a hearing before the Tribunal regarding the NOP;
 - (ii) Qi waives all rights to a judicial review or appeal;
 - (iii) The Director agrees that FSRA will not take any further proceedings against Qi arising solely from the facts contained in Part II of these Minutes, unless facts not disclosed by Qi come to the attention of FSRA that are materially different from those contained in Part II of these Minutes or Qi fails to comply with any term in the Minutes; and
 - (iv) Qi agrees that should they fail to comply with any term in these Minutes, FSRA is entitled to bring any proceedings available to it.

DATED at _____, Ontario,

Cheng (Kevin) Qi

DATED at _____, Ontario,

Name of Witness

Signature of Witness

DATED at , Ontario,

Elissa Sinha
Director, Litigation and Enforcement
Financial Services Regulatory Authority of Ontario

By delegated authority from the Chief Executive Officer