



Ontario  
Securities  
Commission

Commission des  
valeurs mobilières  
de l'Ontario

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**IN THE MATTER OF THE *SECURITIES ACT*,  
R.S.O. 1990, c. S.5, AS AMENDED**

**- AND -**

**IN THE MATTER OF  
HERITAGE EDUCATION FUNDS INC.**

**ORDER**

**WHEREAS** on August 13, 2012, the Ontario Securities Commission (the “Commission”) ordered pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5 as amended (the “Act”), with the consent of Heritage Education Funds Inc. (“HEFI”), that the terms and conditions set out in Schedule “A” to the Commission order (the “Terms and Conditions”) be imposed on HEFI (the “Temporary Order”);

**AND WHEREAS** on August 21, 2012, the Commission extended the Temporary Order until November 23, 2012;

**AND WHEREAS** the Terms and Conditions required HEFI to retain a consultant (the “Consultant”) to prepare and assist HEFI in implementing plans to strengthen their compliance systems, and to retain a monitor (the “Monitor”) to review applications of New Clients and contact New Clients as defined and set out in the Terms and Conditions;

**AND WHEREAS** HEFI retained Deloitte & Touche LLP (“Deloitte”) as its Monitor and its Consultant;

**AND WHEREAS** by Order dated October 10, 2012, the Commission clarified certain matters with respect to the Temporary Order;

**AND WHEREAS** by Order dated November 22, 2012, the Commission ordered that the Temporary Order be extended to December 21, 2012 and that the hearing be adjourned to December 20, 2012;

**AND WHEREAS** by Order dated December 20, 2012, the Commission amended certain of the Terms and Conditions and extended the Temporary Order to March 22, 2013;

**AND WHEREAS** by Order dated January 28, 2013, the Manager of the Compliance and Registrant Regulation Branch (the "OSC Manager") approved the compliance plan dated January 14, 2013 (the "Plan") submitted by the Consultant;

**AND WHEREAS** on March 21, 2013, the Commission ordered that the Temporary Order be extended to April 19, 2013;

**AND WHEREAS** on April 8, 2013, HEFI filed a motion with the Commission to vary the terms of the Temporary Order by, among other matters, suspending the on-going monitoring by the Monitor of HEFI's compliance with the Terms and Conditions (the "Motion");

**AND WHEREAS** on April 18, 2013, the Commission heard oral submissions from the parties and issued an Order which: (i) dismissed the Motion; (ii) extended the Temporary Order to May 31, 2013, or until such further order of the Commission; (iii) adjourned the hearing to May 27, 2013 at 11:00 a.m. for the purpose of providing the Commission with an update on the work completed by the Monitor and the Consultant; and (iv) provided that the Monitor, Staff and HEFI may seek further direction from the Commission, if necessary or desirable;

**AND WHEREAS** on May 23, 2013, the Commission issued an order on consent of the parties that: (i) the Temporary Order is extended to June 17, 2013; or until such further order of the Commission; (ii) the hearing is adjourned to June 14, 2013 at 10:00 a.m.; and (iii) the hearing date of May 27, 2013 be vacated;

**AND WHEREAS** by letter dated June 12, 2013 the Manager approved Compliance Support Services to replace Deloitte as Consultant subject to three conditions;

**AND WHEREAS** on June 14, 2013, the Commission ordered that: (i) the Temporary Order is extended to July 22, 2013; and (ii) the hearing be adjourned to July 18, 2013 at 10:00 a.m.;

**AND WHEREAS** on July 17, 2013, the Commission ordered that: (i) the Temporary Order be extended to September 9, 2013; (ii) the hearing be adjourned to September 6, 2013 at 10:00 a.m.; and (iii) the hearing date of July 18, 2013 at 10:00 a.m. be vacated;

**AND WHEREAS** on September 6, 2013, the Commission ordered that: (i) the role and activities of the Monitor and HEFI set out in paragraphs 5, 6, 7 and 8 of the Terms and Conditions, as amended by Commission order dated December 20, 2012, be suspended as of the start of business on September 16, 2013; (ii) the resumption of any future monitoring shall take place on the recommendation of the Consultant with the agreement of the OSC Manager and the parties may seek the direction from the Commission; (iii) the Temporary Order be extended to October 22, 2013; and (iv) the hearing be adjourned to October 18, 2013 at 10:00 a.m.;

**AND WHEREAS** on October 15, 2013, the Commission ordered that: (i) the hearing date of October 18, 2013 at 10:00 a.m. be vacated; (ii) the Temporary Order be extended to December 19, 2013 or until such further order of the Commission; and (iii) the hearing is adjourned to December 16, 2013 at 10:00 a.m.;

**AND WHEREAS** on December 12, 2013, the Commission ordered that: (i) the hearing date of December 16, 2013 be vacated; (ii) paragraphs 11 and 12 of the Terms and Conditions be deleted and replaced with new paragraphs 11.1 and 12.1; (iii) the Temporary Order be extended to March 7, 2014; and (iii) the hearing be adjourned to March 5, 2014 at 10:00 a.m. for the purpose of providing the Commission with an update on the work completed by Compliance Support Services;

**AND WHEREAS** on March 5, 2014, Staff filed an affidavit of Lina Creta sworn March 4, 2014 setting out the work completed by Compliance Support Services and the outstanding work needed to be completed prior to Staff recommending the removal of the Terms and Conditions to the OSC Manager;

**AND WHEREAS** the parties consent to the terms of this Order;

**AND WHEREAS** the Commission considers that it is in the public interest to make this Order;

**IT IS HEREBY ORDERED** pursuant to section 127 of the Act that:

1. The Temporary Order as amended by Commission orders dated September 6, 2013 and December 12, 2013 is extended to April 28, 2014 or until such further order of the Commission.
2. The hearing is adjourned to April 23, 2014 at 9:00 a.m. for the purpose of providing the Commission with an update on the work completed by the Consultant and to consider vacating the Temporary Order.

**DATED** at Toronto this 5<sup>th</sup> day of March, 2014.

*“James E. A. Turner”*

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James E. A. Turner