



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor
20 Queen Street West
Toronto ON M5H 3S8

CP 55, 19^e étage
20, rue queen ouest
Toronto ON M5H 3S8

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

- AND -

**NORTH AMERICAN FINANCIAL GROUP INC., NORTH AMERICAN CAPITAL
INC., ALEXANDER FLAVIO ARCONTI, AND LUIGINO ARCONTI**

**ORDER
Sections 127(7) & 127(8)**

WHEREAS on the 10th day of November, 2010, pursuant to subsections 127(1) and 127(5) of the Securities Act, RSO 1990, c S.5, as amended (the “Act”), the Ontario Securities Commission (the “Commission”) made an order against North American Financial Group Inc. (“NAFG”), North American Capital Inc. (“NAC”), Alexander Flavio Arconti (“Flavio”) and Luigino Arconti (“Gino”);

AND WHEREAS on the 10th day of November, 2010, pursuant to subsection 127(6) of the Act, the Commission ordered that the following Temporary Order shall expire on the 15th day after its making unless extended by order of the Commission;

AND WHEREAS by Commission Order dated November 10, 2010, the Commission made the following temporary order (the “Temporary Order”);

1. pursuant to clause 2 of subsection 127(1) of the Act, that all trading in the securities of NAFG and NAC shall cease;
2. pursuant to clause 2 of subsection 127(1) of the Act, that NAFG, NAC, Flavio and Gino cease trading in all securities; and
3. that pursuant to clause 3 of subsection 127(1) of the Act, that the exemptions contained in Ontario securities law do not apply to NAFG, NAC, Flavio or Gino.

AND WHEREAS by Commission Order dated November 23, 2010, the Temporary Order was amended such that Flavio and Gino may trade in securities for their own accounts or their parents’ accounts or for the accounts of their registered retirement savings plan or registered income fund (as defined in the *Income Tax Act* (Canada)) provided that they trade through accounts opened in their parents’ names or either of their names only;

AND WHEREAS the Temporary Order as amended has been extended from time to time;

AND WHEREAS by Order dated March 25, 2011, the Temporary Order was further amended to permit NAFG and its officers and directors to issue Convertible Debentures in accordance with a Proposal made under the *Bankruptcy Insolvency Act* in the matter of NAFG (the “Temporary Order as further amended”);

AND WHEREAS by Order dated March 25, 2011, the Temporary Order as further amended was extended to May 2, 2011;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make the following order;

AND WHEREAS the parties to this proceeding consent to the making of this order;

IT IS ORDERED that the Temporary Order as further amended is extended to August 2, 2011;

IT IS FURTHER ORDERED that the hearing in this matter be adjourned to Friday July 29, 2011 at 10:00 a.m.

DATED at Toronto this 29th day of April, 2011.

“Edward P. Kerwin”

Edward P. Kerwin