



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*,
R.S.O. 1990, c. S.5, AS AMENDED**

- AND -

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

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

WHEREAS on November 10, 2010, pursuant to subsections 127(1) and 127(5) of the *Securities Act*, R.S.O. 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 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 on November 10, 2010, pursuant to subsection 127(6) of the Act, the Commission ordered that the 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 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 and 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 by Order dated April 29, 2011, the Temporary Order as further amended was extended to August 2, 2011;

AND WHEREAS by Order dated July 29, 2011, the Temporary Order as further amended was extended to October 3, 2011 and the hearing was adjourned to September 30, 2011;

AND WHEREAS by Order dated September 30, 2011, the Temporary Order as further amended was extended to November 3, 2011 and the hearing was adjourned to November 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 Monday, December 19, 2011;

IT IS FURTHER ORDERED that the hearing in this matter be adjourned to Friday, December 16, 2011 at 9:30 a.m. or to such other date or time as set by the Office of the Secretary and agreed to by the parties.

DATED at Toronto this 2nd day of November, 2011.

“James E. A. Turner”

James E. A. Turner