



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
KNOWLEDGE FIRST FINANCIAL INC.**

ORDER

WHEREAS on August 10, 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") and with the consent of KFFI that the terms and conditions set out in Schedule "A" to the Commission orders (the "Terms and Conditions") be imposed on Knowledge First Financial Inc. ("KFFI") (the "Temporary Order");

AND WHEREAS on August 21, 2012, the Commission extended the Temporary Order against KFFI until November 14, 2012;

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

AND WHEREAS KFFI retained Deloitte & Touche LLP ("Deloitte") as its Monitor and retained Sanford Eprile & Company as its Consultant;

AND WHEREAS KFFI brought an application for directions returnable on September 24, 2012 seeking interpretations of paragraphs 5 and 6 of the Terms and Conditions;

AND WHEREAS by Order dated October 10, 2012, the Commission clarified the process to be followed by the Monitor including the suitability guidelines to be applied, set out the content of the Monitor's bi-weekly reports and extended the time for the Monitor to complete calls to New Clients and, in appropriate cases, to unwind New Clients' plans;

AND WHEREAS Sanford Eprile & Company filed its Consultant's plan with the OSC Manager on October 10, 2012 and will be filing an amended Consultant's plan with the OSC Manager on or before November 16, 2012;

AND WHEREAS Staff has filed an Affidavit of Lina Creta sworn November 12, 2012 setting out the work completed to date by the Monitor and the Consultant;

AND WHEREAS Staff requests that the Temporary Order be extended until December 21, 2012 and counsel for KFFI has advised that KFFI consents to this request;

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 is extended to December 21, 2012 or until such further order of the Commission; and
2. The hearing is adjourned to December 20, 2012 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 to consider whether any changes are required to the Terms and Conditions.

DATED at Toronto this 13th day of November, 2012.

"James E. A. Turner"

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