



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”) and 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 against HEFI 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 all 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 on September 24, 2012, HEFI brought an application for directions 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 clients' plans;

AND WHEREAS by Order dated November 22, 2012, the Commission ordered: (i) the Temporary Order extended to December 21, 2012; and (ii) the hearing adjourned to December 20, 2012;

AND WHEREAS by Order dated December 20, 2012, the Commission: (i) deleted and replaced paragraph 5 of the Terms and Conditions with paragraphs 5.1 and 5.2 which set out the sample of New Client applications to be reviewed by the Monitor and the sample of New Clients to be contacted by the Monitor; and (ii) extended the Temporary Order to March 22, 2013;

AND WHEREAS Deloitte as Consultant has filed with the OSC Manager as required by the Terms and Conditions: (i) the Consultant's Plan dated October 12, 2012; (ii) an amended Consultant's Plan dated December 16, 2012; (iii) a further amended Consultant's Plan dated January 23, 2013; and (iv) Progress Reports dated November 10, 2012 and February 27, 2013;

AND WHEREAS Deloitte as Monitor has filed twelve Monitor reports with the OSC Manager as required by the Terms and Conditions;

AND WHEREAS Staff has filed an Affidavit of Lina Creta sworn March 16, 2013 setting out the work completed by the Monitor and the Consultant;

AND WHEREAS counsel for HEFI has advised that HEFI intends to bring a motion before the Commission to amend the Terms and Conditions;

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 April 19, 2013.

2. The hearing is adjourned to April 18, 2013 at 10:00 a.m. for the purpose of dealing with HEFI's proposed motion to amend the Terms and Conditions.

DATED at Toronto this 21st day of March, 2013.

“James E. A. Turner”

James E. A. Turner