



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 letter 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 be extended to June 17, 2013; or until such further order of the Commission; (ii) the hearing be 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 OSC Manager approved Compliance Support Services to replace Deloitte as Consultant subject to three conditions;

AND WHEREAS on June 14, 2013, the Commission issued an order that: (i) the Temporary Order be 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 issued an order 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 the parties have agreed that: (i) the role and activities of the Monitor 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 Monitor will report on its findings up to and including September 16, 2013; and (iii) the Temporary Order be extended to October 22, 2013;

AND WHEREAS Staff has filed an affidavit of Lina Creta sworn September 5, 2013 to update the Commission on the status of this matter;

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. As of the start of business on September 16, 2013, the role and activities of the Monitor as set out in paragraphs 5, 6, 7 and 8 of the Terms and Conditions, as amended by Commission Order dated December 20, 2012, and the activity of HEFI as set out in paragraph 8 of the Terms and Conditions will be suspended.
2. Further to paragraph 10 of the Terms and Conditions, the resumption of any future monitoring or any subsequent changes to that monitoring in furtherance of the implementation of the Plan, if any, shall take place on the recommendation of the Consultant and with the agreement of the OSC Manager and the parties may seek the direction from the Commission in the event that the parties are unable to agree on any future possible monitoring.

3. The Temporary Order is extended to October 22, 2013 or until further order of the Commission.
4. The hearing is adjourned to October 18, 2013 at 10:00 a.m. for the purpose of providing the Commission with an update on the work completed by the Consultant and to consider the possible extension of the Temporary Order.

DATED at Toronto this 6th day of September, 2013.

“Christopher Portner”

Christopher Portner