



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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22e 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-

**IN THE MATTER OF
KNOWLEDGE FIRST FINANCIAL INC.**

**STATEMENT OF ALLEGATIONS OF STAFF
OF THE ONTARIO SECURITIES COMMISSION**

**STAFF OF THE ONTARIO SECURITIES COMMISSION MAKE THE
FOLLOWING ALLEGATIONS:**

1. Knowledge First Financial Inc. (“KFFI”) distributes units of four distinct savings plans which are Registered Education Savings Plans under the *Income Tax Act*, R.S.C. 1985, c.1 (5th) supp.), as amended.
2. KFFI is registered with the Commission as both an investment fund manager and as a dealer in the category of scholarship plan dealer.
3. KFFI has been the subject of four compliance field review reports since 2003 by Staff of the Compliance and Registrant Regulation Branch (“CRR Staff”). KFFI also had terms and conditions previously imposed on its registration by CRR Staff, namely from July 9, 2004 to June 1, 2005 and from June 1, 2005 to February 21, 2006. The last compliance field review report on KFFI dated June 14, 2012 (the “2012 Compliance Report”) had a review period of October 1, 2010 to September 30, 2011. In some cases, CRR Staff found KFFI to be deficient in similar areas to those previously identified as containing deficiencies.

4. As set out in the 2012 Compliance Report, on or between October 1, 2010 to September 30, 2011, KFFI did not meet reasonable compliance practices by failing to adequately meet its compliance obligations in certain of its sales supervision and compliance activities and thereby engaged in conduct contrary to the public interest.

Dated at Toronto this 5th day of March, 2014.