



THE MANITOBA
SECURITIES
COMMISSION

THE SECURITIES ACT)
)
Sections 148, 19(5), and 148.3)

Order No. 6514

May 30, 2012

ELLIOT FEDER

WHEREAS:

(A) On January 20, 2012, the Ontario Securities Commission ("OSC") issued an Order ("OSC Order") approving a Settlement Agreement dated January 18 and 19, 2012 between the respondent Elliot FEDER ("FEDER") and the Director, Enforcement Branch of the OSC ("Settlement Agreement") and making various orders against FEDER;

(B) On March 2, 2012, The Manitoba Securities Commission ("Commission") issued a Notice of Hearing ("Notice") giving notice of its intention to hold a hearing to consider whether or not it was in the public interest to grant orders pursuant to *The Securities Act*, R.S.M. 1988, c. S50 as amended ("Act") with respect to FEDER;

(C) On March 28, 2012, the OSC issued an order varying the original OSC Order in part ("OSC Variation Order");

(D) This hearing matter came before a panel of the Commission on April 25, 2012 and on May 30, 2012;

(E) Upon reviewing the documentary evidence including the Affidavit of Service and hearing the submissions of counsel for staff of the Commission, no one appearing for the respondent, and upon being satisfied as to service upon the respondent, the Commission is of the opinion that it is in the public interest to make this order.

IT IS ORDERED:

1. **THAT**, pursuant to sections 148 and 19(5) of the Act, respectively, FEDER cease trading in securities permanently and subsection 19(1) of the Act, with respect to such of the trades referred to in that subsection, and subsection 19(2) of the Act, with respect to such of the securities referred to in that subsection, do not apply to FEDER permanently, except that:

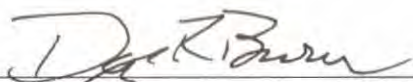
- (a) FEDER is permitted to contact the existing shareholders of (i) Genesis Rare Diamonds (Ontario) Ltd., (ii) Kimberlite Diamond

Corporation, (iii) Genesis Rare Diamonds (U.K.) Ltd., and (iv) their subsidiaries none of which is a reporting issuer, or their counsel and to discuss/explore the potential for the sale of FEDER's shares in those corporations to any or all of their existing shareholders, provided that FEDER's shares are not actually sold and/or purchased without FEDER first obtaining a further exemption/order from the OSC, as provided for by the OSC Order;

- (b) FEDER is permitted to sell shares he currently holds in (i) Genesis Rare Diamonds (Ontario) Ltd., (ii) Kimberlite Diamond Corporation, (iii) Genesis Rare Diamonds (U.K.) Ltd., and (iv) their subsidiaries, to those corporations for cancellation or redemption, as provided for by the OSC Variation Order;
- (c) FEDER is permitted to acquire securities in private companies (as defined in the Act) through which he carries on business, provided he is the sole shareholder and the companies do not engage in any distribution of securities of the public;
- (d) after the Director of the Commission has received confirmation that FEDER has fully satisfied subparagraphs (g) and (h) of the OSC Order, FEDER shall be permitted to trade for his own account, solely through a registered dealer or, as appropriate, a registered dealer in a foreign jurisdiction (which dealer must be given a copy of this Order) in (i) any "exchange-traded security" or "foreign exchange-traded security" within the meaning of National Instrument 21-101 provided that he does not own beneficially or exercise control or direction over more than 5 percent of the voting or equity securities of the issuer(s) of any such securities; or (ii) any security issued by a mutual fund that is a reporting issuer.

2. **THAT**, pursuant to section 148.3 of the Act and the Settlement Agreement, FEDER be prohibited permanently from becoming or acting as an officer or a director of any reporting issuer, registrant or investment fund manager or any issuer that engages in a distribution to the public.

BY ORDER OF THE COMMISSION



Director, Legal and Enforcement