

**HERITAGE TRUST COMPANY  
HERITAGE TRUST PRIVATE WEALTH MANAGEMENT  
AND  
PAUL MORFORD**

**ORDER UNDER SECTIONS 244(2) AND 238, AND  
NOTICE OF RIGHT OF HEARING OR APPEAL  
UNDER SECTION 238(2)**

WHEREAS it appears to the Superintendent of Financial Institutions (the "Superintendent") that:

1. Neither Heritage Trust Company nor Heritage Trust Wealth Management has a business authorization to carry on a trust business pursuant to the *Financial Institutions Act* ("Act").
2. On July 25, 2005, a website advertised that Heritage Trust Company and Heritage Trust Private Wealth Management were offering trust services. The website contained the following information:
  - (a) Heritage Trust has two places of business:
    - i. Suite 2410, 650 West Georgia Street, Vancouver, B.C.; and
    - ii. 220 Bay Street, 3<sup>rd</sup> Floor, Toronto Ontario.
  - (b) The contact email for general information is: pmorford@firstmg.com
  - (c) The services offered by Heritage Trust include, revocable and irrevocable trust services, administration of trusts, charitable trust services and wealth planning.
  - (d) Heritage Trust is in the process of seeking activation as a trust company.
  - (e) Heritage Trust is operating as a wealth management company.
3. P. Morford was identified as Paul Morford.

4. Paul Morford used a business card that identified him as President of Heritage Trust, Private Wealth Management.
5. On August 26, 2005, the website was not active or available for viewing.
6. On November 1, 2005 the website was again active and the following was noted:
  - (a) There is no reference to Heritage Trust Company but Heritage Private Wealth Management and Heritage Trust Private Wealth Management are used.
  - (b) The website contained the same business addresses and contact information as the July 25, 2005 advertisement.
  - (c) The services offered include fiduciary services, "Trustee, Co-Trustee and Management Services, and Estate Settlement Services."
  - (d) Heritage Private Wealth Management is in the process of seeking activation as a trust company.
  - (e) Heritage Private Wealth Management is operating as a wealth management company.
7. The Financial Services Commission of Ontario confirmed that neither Heritage Trust Company nor Heritage Trust Private Wealth Management have a business authorization to act as a trust company in the Province of Ontario and have not made an application to seek activation as a trust company.
8. The Office of the Superintendent of Financial Institutions Canada confirmed that neither Heritage Trust Company nor Heritage Trust Private Wealth Management have a business authorization to act as a trust company in Canada and have not made an application to seek activation as a trust company.
9. Section 31 of the *Act* reads:

A person must not use

  - (a) Any of the words
    - i. "trust" or "trustee"
    - ii. "deposit" or "loan", or
    - iii. "insurance", "assurance" or "insurer", or
  - (b) Any other words in connection with the business of a person in a way likely to

- (c) Deceive or mislead the public about the ability of a person to undertake trust business, deposit business or insurance business, or
- (d) Give a false impression that the person is a trust company or insurance company, as the case may be.

10. Section 70 (a) of the *Act* reads:

A corporation must not carry on trust business in British Columbia unless the corporation is

- (a) A trust company, an extraprovincial trust corporation or a credit union that has a business authorization to carry on trust business.

11. Section 1 of the *Act* defines "trust business" as the business of providing or offering to provide services to the public as

- (a) Trustee, executor or administrator,
- (b) Guardian or a minor's estate,
- (c) Committee of the estate of a person with a mental disorder, or
- (d) Representative under the *Representation Agreement Act*,

Whether or not the person undertaking an activity or activities set out in paragraph (a) to (d) can or does distribute any gain, profit or dividend, or does distribute any gain, profit or dividend, or otherwise disposes of the person's assets, to a member or shareholder of the person other than during winding up or dissolution.

AND WHEREAS the Superintendent finds that by the above noted conduct Heritage Trust Company, Heritage Trust Private Wealth Management and Paul Morford are using the words "trust" or "trustee" in a way likely to deceive or mislead the public about their ability to undertake trust business or give a false impression that they are a trust business.

AND WHEREAS the Superintendent finds that by the above noted description, Heritage Trust Company, Heritage Trust Private Wealth Management and Paul Morford are offering to provide trust services to the public as trustee, executor or administrator.

AND WHEREAS the Superintendent is of the opinion that by the above acts or conduct, pursuant to Section 244(2) of the *Act*, Heritage Trust Company, Heritage Trust Private Wealth Management and Paul Morford are committing an act or pursuing a course of conduct that does not comply with the *Act*.

AND WHEREAS the Superintendent considers, pursuant to Section 238(1)(b) of the Act that the length of time that would be required to hold a hearing would be detrimental to the due administration of the Act.


AND WHEREAS the Financial Institutions Commission has delegated to the Superintendent the powers and duties under section 244 of the Act in the Instrument of Delegation executed June 2, 2005.

**NOW THEREFORE the Superintendent orders pursuant to Sections 244(2) and 238 of the Act that Heritage Trust Company, Heritage Trust Private Wealth Management and Paul Morford:**

**Cease from using the words "trust" or "trustee" and cease providing or offering to provide services to the public as trustee, executor or administrator.**

TAKE NOTICE THAT each of Heritage Trust Company, Heritage Trust Private Wealth Management and Paul Morford may request a hearing before the Superintendent with respect to this order under section 238(2)(a) of the Act or appeal this order to the Financial Services Tribunal under section 238(2)(b) of the Act.

Dated at the  
City of Surrey,  
Province of British Columbia  
this 9<sup>th</sup> day of November, 2005.

  
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W. Alan Clark  
Superintendent of Financial Institutions  
Province of British Columbia

TO:

Paul Morford  
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