



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

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
HERITAGE EDUCATION FUNDS INC.**

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

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

1. Heritage Education Funds Inc. (“HEFI”) distributes units of two types of registered education savings plans under the Act which Plans are registered under the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supp.), as amended.
2. HEFI is registered with the Commission as both an investment fund manager and as a dealer in the category of scholarship plan dealer.
3. HEFI has been the subject of three compliance field review reports since 2003 by Staff of the Compliance and Registrant Regulation Branch (“CRR Staff”). HEFI also had terms and conditions previously imposed on its registration by CRR Staff, namely, from April 16, 2003 to October 28, 2003 and from July 9, 2004 to March 28, 2005. The last compliance field review report on HEFI dated June 14, 2012 (the “2012 Compliance Report”) had a review period of November 1, 2010 to October 31, 2011. In some cases, CRR Staff found HEFI 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 November 1, 2010 and October 31, 2011, HEFI 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 6th day of January, 2015.