INVESTOR RIGHTS & PROTECTION

INVESTOR RIGHTS: Top 10 Takeaways

1. When you buy investments from a registered financial advisor in Canada, you have the right to timely and accurate information; the right to receive your advisor's best recommendations; and the right to know if your advisor has a conflict of interest.

2. The Nova Scotia Securities Commission has rules for the sale of investments in Nova Scotia. One rule is that only people who are registered with the Securities Commission can legally sell investments.

3. We will call the people who are registered to sell investments "advisor/registrants" because the title "advisor" is also used by people who are not registered.

4. Rules about how your advisor/registrant must treat you help to protect your rights as an investor. But the Securities Commission cannot guarantee your advisor/registrant will follow the rules. Even when they do your rights are not fully protected.

5. Before you buy a specific investment, you will receive a fact sheet about it. After you buy, you will receive quarterly and annual reports as long as you own the investment.

6. Fact sheets and reports from your advisor/registrant are timely and accurate. But the information might be incomplete, overwhelming, or hard for you to understand.

7. The rules in Nova Scotia say advisors/registrants must give you suitable advice and recommendations. They do not say that they must give you their best advice and recommendations.

8. When what is best for you is not what is best for your advisor/registrant, your advisor has a conflict of interest. They might recommend an investment which is suitable, but not best, for you because it is best for them.

9. An advisor/registrant might recommend an investment which suits your risk and timing needs but has high fees because high fee investments make your advisor/registrant more money. A better investment for you would be a similar one with lower fees.

10. You need to know your rights as an investor. You need to understand how these rights are, and are not, protected. You need to be ready to stand up and protect your rights yourself.