

PUBLIC INQUIRY AND COMPLIANT PROCESS

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THE MANITOBA
SECURITIES
COMMISSION

The Role of The Manitoba Securities Commission

One of The Manitoba Securities Commission's mandates is to investigate complaints that are lodged by the public against individuals registered with the Commission.

- The Manitoba Securities Commission administers *The Securities Act, The Real Estate Brokers Act, The Mortgage Dealers Act* and *The Commodity Futures Act*.
- The Manitoba Securities Commission's mandate is to act in the public interest to protect Manitobans participating in the securities and real estate markets and facilitate the raising of capital while maintaining fairness and integrity in the market place.
- The Manitoba Securities Commission has two divisions, securities and real estate and six functional areas. They are Enforcement, Corporate Finance, Registration, Exemptions and Orders, Policy and Legislation, Education and Administration.
- The Commission is staffed with lawyers, accountants, investigators, educators and administrative support personnel.
- The Commission can not provide any information about a registrant beyond registration status and disciplinary history.

The Compliance Process

While this is not an exhaustive list, the following conduct may suggest that you have a complaint:

- transaction completed on your behalf without your consent
- transactions that do not appear on your statement
- promise of future price
- suggesting a future listing on a stock exchange
- back dating purchase orders
- pre-signing blank forms for your advisor
- guarantee repurchase of securities or refund purchase price
- failure to provide a prospectus

Complaint Resolution

If you have a complaint your first course of action should be to contact your advisor and attempt to resolve the issue. If you are not able to resolve the issue, contact your advisor's compliance officer or branch manager.

When discussing a complaint with your advisor or his or her firm you should have the following information readily available:

- account holder name
- account number
- representative's name
- chronological list of events, dates, times that have caused you concern
- copies of documents such as statements, letters and general correspondence that is relevant to your complaint
- ways that the matter could be resolved to your satisfaction
- the date by which you expect to hear back from them

You may also wish to put this information in writing. If your firm is an Investment Dealers Association member you may have access to their arbitration program. If the complaint is not resolved to your satisfaction, contact The Manitoba Securities Commission at (204) 945-2548.

Responsibilities and Obligations

As an investor, you should..

- Research an individual and firm prior to signing up as a client.
- Never invest in an investment product unless you understand the risks.
- Ask your advisor lots of questions especially if you do not understand what they are saying.
- After speaking with your advisor always make notes about the issues discussed, decisions made and actions to be carried out.
- Review transaction confirmations to ensure the instructions you gave your representative were carried out.
- Review the prospectus/offering document.

Advisor Obligations

Advisors have an obligation to know their client. In order for your advisor to make appropriate investment recommendations he/she should ask a number of questions, some of which may include:

- What are your investment objectives?
- What is your age?
- What is your annual income and net worth?
- What is your occupation?
- What is your tolerance for risk?
- What investment knowledge or experience do you have?

All advisors must be employed by a firm which is responsible for supervising that advisor. In addition, your representative must be registered with The Manitoba Securities Commission. All client information must be kept confidential unless the client authorizes the advisor to discuss the file with other professionals such as lawyers, accountants, etc.

What Happens When You File a Complaint with the Commission

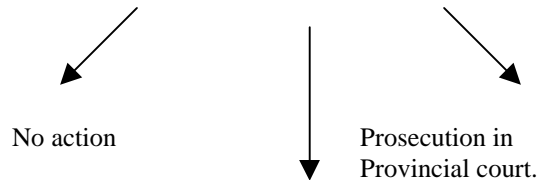
A complaint is received.



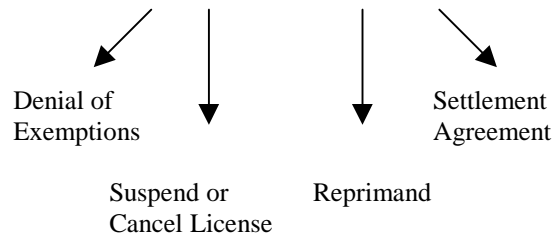
Investigators interview witnesses and gather relevant documentation. Once this process is complete it may be determined that no action is to be taken.



Once the staff review is complete the information is presented to a panel of Commission members. The panel decides on one of three options:



Administrative hearing – This may range from a full hearing to the approval of a settlement agreement. At a hearing, it may be determined:



NOTE:

- The Commission can not order financial restitution to aggrieved parties.
- The Commission can not fine an Individual

The Investigation Department

Jan Banasiak – Investigator
(204) 945-2556
JBanasiak@gov.mb.ca

Marc Boily – Investigator
(204) 945-1602
MBoily@gov.mb.ca

Jason Roy – Investigator
(204) 945-4116
jroy@gov.mb.ca

Doug Brown – Director of Enforcement
(204) 945-0605
DouBrown@gov.mb.ca

The Manitoba Securities Commission

1130-405 Broadway
Winnipeg, MB R3C 3L6
Phone: (204) 945-2548
Toll-free: 1-800-655-5244
Fax: (204) 945-0330
Web site: www.msc.gov.mb.ca
E-mail: securities@gov.mb.ca