

## LOOKING FOR MORE INFORMATION?

If you are interested in obtaining additional information, please contact The Manitoba Securities Commission at (204)945-2548 or you can find the following information on our web site:

- ◆ Questions to Ask Before Investing
- ◆ Investor Protection
- ◆ Complaints, What Action to Take?
- ◆ Glossary of Investment Terms
- ◆ Financial Designations and Courses

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# Invest Time Before you Invest Money



THE MANITOBA  
SECURITIES  
COMMISSION

## OUR MISSION

To act in the public interest to protect Manitoba Investors and to facilitate the raising of capital while maintaining fairness and integrity in the securities marketplace.

## RECOGNIZE THE BULL OR BEAR THE CONSEQUENCES

Certain situations should raise red flags for you. Some of these situations might include when someone offering to sell you an investment tells you:

- ◆ **NOT** to speak to anyone about the investment as it is highly confidential in nature;
- ◆ that they can not provide you with any written documentation about the company. For example, offering document, trade confirmations and account statements;
- ◆ that information for a particular investment is based on a “hot tip” or inside information;
- ◆ that you can expect to receive unrealistically high rates of return;
- ◆ that there is no downside or risk to an investment; and
- ◆ that the security will be listed on a stock exchange in the near future.

## SAFEGUARDING YOUR INVESTMENTS – Investor Education in the 21st Century

We all know that money doesn't grow on trees. It's up to us to ensure that our hard earned money is protected so that we can maintain a favourable lifestyle well into retirement. The following tips will assist you with this process:

**Educate Yourself** – The best means of protecting yourself from making bad investment decisions or from being the target of an investment scam is by educating yourself. There are many resources available to do this. We suggest that you attend trade fairs, read prospectuses, newspapers, investment books, magazines and check financial web sites. You should also speak to people whose opinions you respect such as family, friends and professionals before making any decisions that may impact your financial well being.

**Know How Much Risk You Can Handle** – All investments contain a certain element of risk. Know your tolerance level. Investments will fluctuate depending on what is happening in the markets. Remember, the higher the return, the riskier the investment is likely to be. If you are losing sleep or worrying endlessly about your investments, then you have probably taken on too much risk.

**Set Financial Objectives** - It is important to ensure that the objectives that you set are a true reflection of your needs. Are you investing for retirement purposes? Are you looking for income flow from your investments or are you investing for your child's education? Some people feel confident determining their objectives on their own. If you do not feel confident taking on this task, the Commission recommends that you discuss this with an advisor

**Selecting an Advisor** – When looking to select a financial advisor, choose one that is right for you. Speak to family and friends about the financial advisor that they work with.

Once you have a few candidates, interview them to determine what their investment philosophy is, and what services they provide. Some advisors will be limited in what financial products they can sell. Other advisors may provide planning services only and can not actually recommend specific investments or execute trades. Ask them about fees and commissions. Inquire as to how long they have been in the industry and what courses they have completed. Communication with your advisor is the key to a successful relationship. You should fully explain your financial situation, what your needs are and give clear instructions so that your advisor can design a plan that is right for you. **Remember, it is important to contact your advisor if there is a change to your financial situation.**

**Check With the Commission** – The Manitoba Securities Commission has the resources and experienced professionals to assist you with any questions that you might have concerning securities related matters. You can call us at (204) 945-2548. In addition, the Commission posts information on

our web site such as investor alerts and a list of registered advisors. We also maintain records of past disciplinary action that has been taken against an individual or company. Please refer to our web site at [www.msc.gov.mb.ca](http://www.msc.gov.mb.ca).

**Decide What to Invest in and How Much** – Once you have determined what your goals are, established your risk tolerance and selected an advisor you must decide how much you would like to invest and what products are right for you. Speak to your advisor about all your options. If you do not fully understand what you are being told about a product ask for clarification. Unless you ask, your advisor may not realize that you do not understand.

**Follow Up** – Ensure that your instructions have been carried out. Always check your statements and confirmation slips that come from the fund company or your advisor's office. Make notes of all conversations with your advisor or his/her assistant. This can help avoid future misunderstandings.