

May 26, 2014

By E-mail to csa-acvm-secretariat@acvm-csa.ca

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Subject: Awareness

"As a result of the activities of this broker, I not only lost my entire life savings, I lost the savings of my company and I found myself in debt to the tune \$1.8 million. I can tell you there was the day when I stood on the deck of my boat with a 50 pound weight tied around my waist because I had to put an end to it all and it is only because of the intervention of my wife, a very timely intervention, and the subsequent support of my two children that I am here before you today."

Dear Sirs;

SIPA was founded in 1998 with a mission to help small investors. Incorporated as a national non-profit organization we reached many small investors in ten provinces.

In 2005 we issued a Report, available on our website, and made a presentation to the Standing Senate Committee on Banking Trade and Commerce recommending:

- Canadians need one national Financial Services Regulator
- Canadians need a national Investor Protection Agency
- Canadians need a national register of representatives accessible to the public

Today there is little change from 2005, excepting the CSA NRD which we find informative. However the regulators are unable to prevent fraud and wrongdoing from happening, therefore in the absence of a National Authority to provide Investor Protection they should have the power to order restitution when they are aware that it has happened. In Quebec the AMF administers the Fonds d'indemnisation des services financiers ("financial services compensation fund"). They are able to compensate victims up to \$200,000.00. Established under [An Act respecting the Autorité des marchés financiers](#) on February 1, 2004, the AMF is unique by virtue of its integrated regulation of the Québec financial sector, notably in the areas of insurance, securities, deposit institutions (other than banks) and the distribution of financial products and services.

Why not TROC? Shouldn't all Canadians be treated fairly?

SIPA believes there are many good individuals at the regulators and also working in the industry. Some do feel that investors should be treated fairly, but are they aware of how the industry operates?

The CSA is certainly helping to make people aware with their document "Understanding Registration". It is perfectly clear that most "Financial Advisors" are in fact registered as "Dealing Representative – A sales person ..." That fact in itself is problematic.

Most seniors are not computer literate and they depend on the printed word or television for information. That is why recent programs by CBC Marketplace and CBC Go Public are so important to raise public awareness. Seniors often have accumulated a lifetime of savings to provide for their golden years. Unfortunately seniors are targeted by financial predators. The loss of life savings is a life-altering event resulting in tragedy ranging from a drastic reduction in lifestyle to suicide.

We are confident that no one in the CSA willingly wishes to contribute to these tragic life-altering events and implore you to take necessary action to address the issues that lead to these tragedies. To assist with awareness, we will be forwarding you comment from small investors so that you may better understand the issues small investors face and the impact on their lives.

Yours truly

Stan I. Buell