

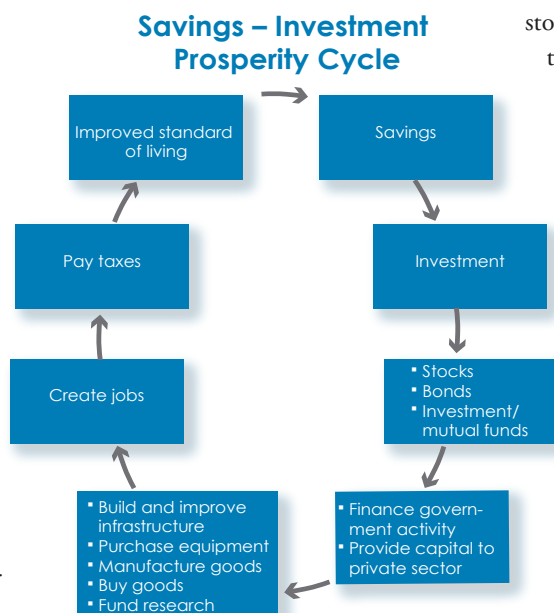
The Canadian Securities Industry

“The financial services sector plays a critical role in a market economy, providing a means of channeling savings into various investment opportunities and driving economic growth. It provides the capital necessary for the growth of existing businesses and the start-up capital needed for new businesses. It also allows governments to finance new debt issues and support programs and services. At the same time, the sector enables Canadians to carry out their everyday financial transactions, including ... savings and wealth management ... The sector is also a significant contributor to Canada’s economic growth and to job creation.”

— Department of Finance Canada, www.fin.gc.ca

Helping Canadians save and invest

- Investment dealers help manage over \$950 billion for Canadians - an amount that has increased by 20 per cent over the past five years.
- An estimated 40 per cent of all household discretionary financial assets in Canada are held in accounts managed by investment dealers
- Of the over \$950 billion kept with investment dealers, Canadians hold:
 - Over \$250 billion in registered retirement savings plans (RRSPs).
 - Over \$60 billion in registered retirement income funds (RRIFs).
 - \$4 billion in registered education savings plans (RESPs), up from virtually nothing five years ago.
- Over the past decade, the number of investment dealer firms has increased to over 200, creating more competition and offering a wider range of products to investors. During this same period of time, the number of registered investment professionals within the securities industry has increased by 30 per cent to approximately 30,000 individuals.



Helping Canadian businesses

- Investment dealers transform investor savings into a source of productive capital for Canadian companies.
- In 2010, our members helped approximately 250 small-to-medium-sized companies launch offerings on Canada’s stock exchanges to raise capital to expand their businesses; each of these companies, in turn, generated new opportunities for other firms in the economy.
 - In 2010, investment dealers helped:
 - Finance over \$170 billion in federal, provincial, municipal and Crown corporation bonds, almost double what was financed a decade ago – the money raised for governments was used to fund new capital projects and infrastructure upgrades that serve all Canadians.
 - Raise more than \$130 billion in debt and equity financings for companies – money used to develop new business ideas, create new products, open new markets for Canadian goods and services, and expand our economy.



THE IIROC REGISTERED INVESTMENT ADVISOR ADVANTAGE

When looking to invest, finding a good investment advisor is critical. There are differences between people calling themselves investment advisors and ones regulated as advisors, as well as different standards of regulation. Investment Industry Regulatory Organization of Canada (IIROC) registered investment advisors are qualified, trained, regulated and meet high standards of conduct to ensure they provide investors with the best possible service to meet investor needs. The business and financial practices of IIROC registered advisors and member investment dealers are regulated by the IIROC, Canada's front-line securities regulator.

IIROC registered advisors offer:

THE BROADEST CHOICE – IIROC registered advisors are able to offer a broad range of investment products and services to meet investors' needs. They can offer not only mutual funds and guaranteed investment certificates (GICs), but also other products only available through registered investment dealers. These include stocks, bonds, options and other more sophisticated alternatives.

FULL UNDERSTANDING OF INVESTOR NEEDS – IIROC registered advisors are required to meet rigorous suitability and "know-your-client" rules prior to offering advice. This ensures they understand the investors' financial situation, investment knowledge and objectives, and tolerance for risk.

EXPERT KNOWLEDGE – IIROC registered advisors are required to complete extensive training to obtain their registration and meet ongoing education requirements to maintain it. Before being licensed, they are subject to demanding proficiency requirements. They are one of only a few types of advisors subject to mandated continuing education requirements to sustain their expertise as financial products change and capital markets grow.

THE UTMOST IN INTEGRITY – IIROC registered advisors are held to strict compliance standards that are monitored at both the firm level and by the IIROC.

THE HIGHEST DEGREE OF PROFESSIONALISM – IIROC registered advisors are required to act solely in investors' interests to provide investment solutions that meet their clients' specific objectives and needs. They form the only group of investment advisors who must provide clients with written information on how to have complaints addressed through the firm, the IIROC and the federal ombudsman – complaint channels to which clients of other types of advisors may not have access. The IIROC requires investment dealers across Canada to report all client complaints, even if the complaints are solved at the firm level, through a central database.

PROTECTION – Accounts held at IIROC registered investment firms are protected from dealer insolvency by the Canadian Investor Protection Fund (CIPF) to an amount of \$1 million or more each (the fund does not cover losses resulting from a decrease in the market value of securities). Visit www.cipf.ca for more information.

For a list of IIROC registered investment dealers, visit www.iiac.ca